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Railway Age

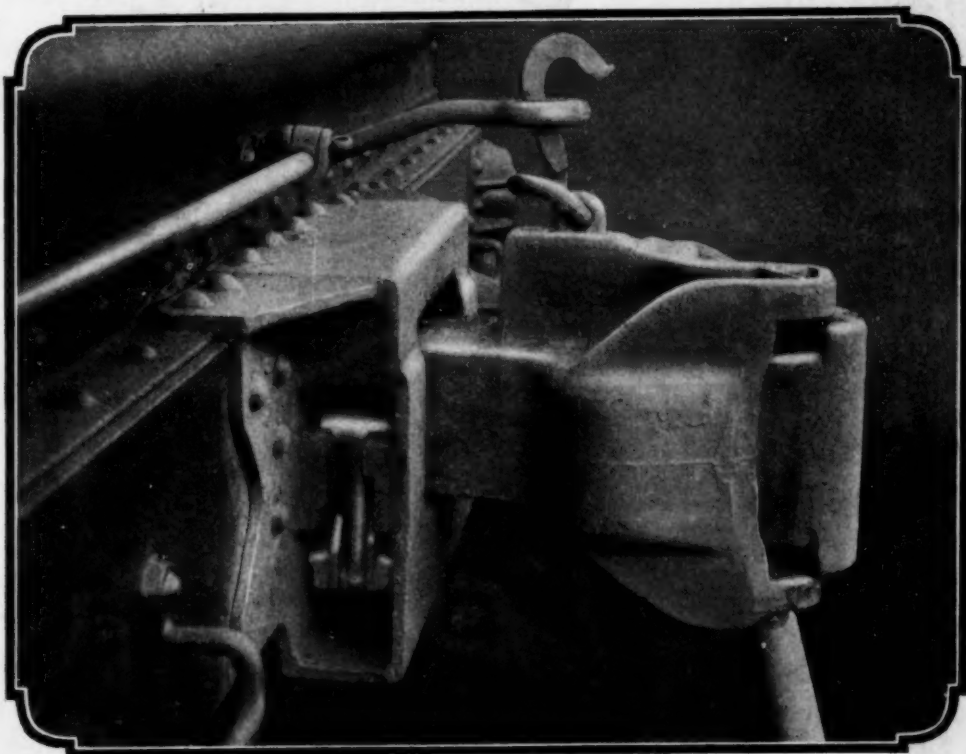
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SIXTY-NINTH YEAR

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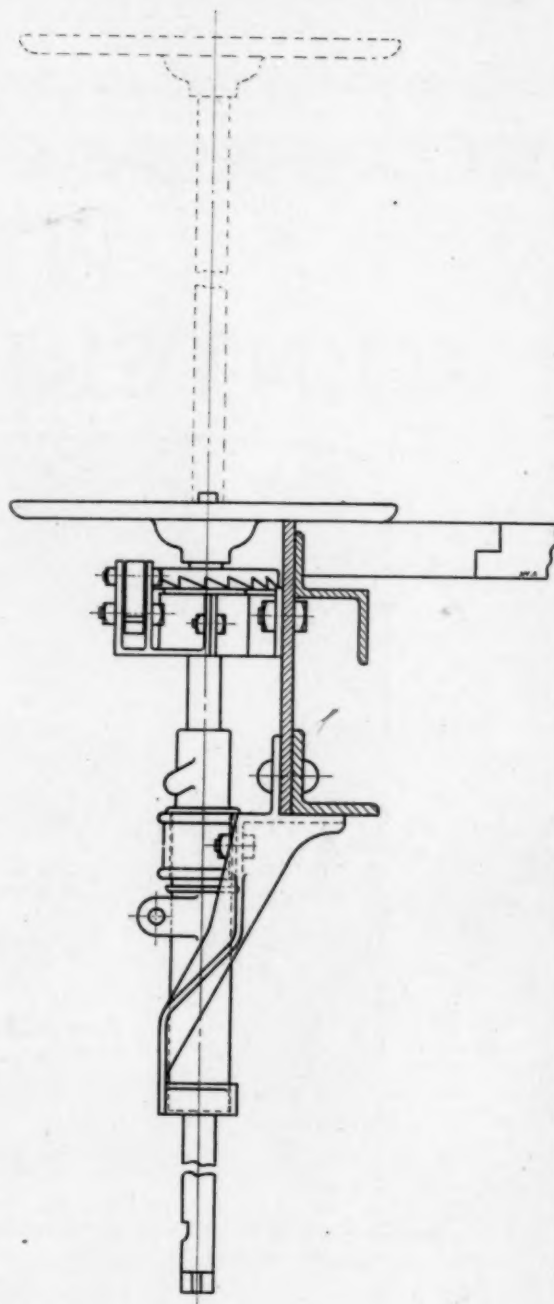
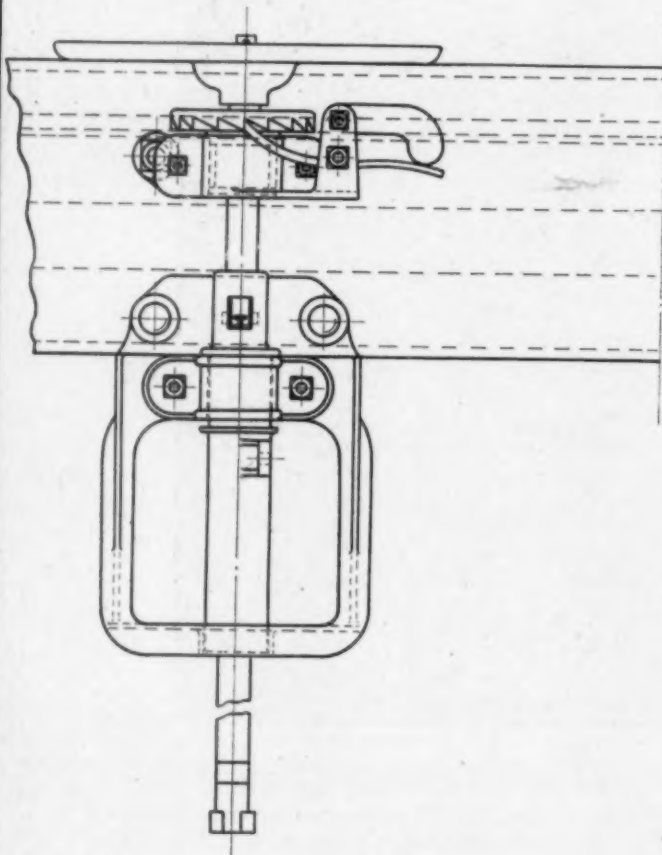
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EDITORIAL

Railway Age

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While there are degrees of cleanliness in enginehouses, most of these places for conditioning locomotives are

A Novel Enginehouse Stunt—Try It

notable for an accumulation of dirt and soot on everything—smoky windows, for instance, and a resultant absence of light which can but impede, if not seriously impair, the accuracy of the work. The most novel reason for cleaning up and in particular painting the interior of an enginehouse white, however, was given by a master mechanic recently who said that he could thereby tell when the men with their greasy overalls had been leaning against the posts. Seriously, this master mechanic has given the subject of enginehouse order and cleanliness an amount of attention which is bound to have favorable results on the morale of his men and the amount of work which they can do. Besides having the entire inside of the enginehouse painted with a white cold water paint, one man is assigned to devote his entire time to washing windows around the outside of the enginehouse, returning on the inside, and then repeating the operation. Receptacles are provided for waste and every effort is made to give the enginehouse forces as desirable a place to work in as is possible under the conditions. Does it pay? It is probably not an exaggeration to say that good light, order and cleanliness are as important as modern equipment in efficient enginehouse operation.

In the January 5 issue of the *Railway Age*, the Annual Review Number, was published a series of articles describing

Government Ownership Abroad

railway conditions in most of the important countries of the world. It may be safely said that few of the writers of these articles undertook the task of describing local railway conditions with any particular bias in favor of some form of management or operation other than that with which they were familiar. Nevertheless a considerable number of them recorded the dissatisfaction which was felt in their countries with the existing railway regime, in most cases government ownership with operation by a political department of the government. In Austria, where the League of Nations is attempting to restore normal economic activity, the government railways have been reorganized after the form of a private corporation, thereby greatly reducing the personnel and offering some hope that perhaps some day the lines will pay operating expenses. In Czechoslovakia the government has been authorized to effect a similar reorganization. In Belgium business interests are urging a similar reform. In most of the countries of Europe, however, the governments seem well contented if they can see any hope of making the government railways pay operating expenses, to say nothing of interest on the investment. One of our correspondents from Southeastern Europe tells us that in his country some of the best built lines were constructed only for military purposes and carry very little traffic and that the government makes a practice of keeping these military lines in the best condition, squandering on them the funds which could otherwise be used to provide much-needed facilities on lines which are remunerative. In other countries the railways are forced to charge rates far too low or far too

high from an economic standpoint, simply to foster some government political policy. The railways are used just like a customs tariff, regardless of the fact that losses thus occasioned have to be met by taxation. It seems to us that our foreign contributors have, without attempting to do so, given enough evidence to convince the most skeptical—even the editor of the Train Dispatcher who continues in his current issue his campaign for government ownership—of the disastrous effects of political railway control.

Judging by the number of communications which we have received as a result of it, the article entitled "Equipment

Maintenance of Equipment Expenses

Maintenance Expenses out of Proportion," which appeared in the *Railway Age* of December 22, 1923, was apparently studied with considerable interest, particularly by mechanical officers. The article dealt with the disproportionate increase in maintenance of equipment expenses which has continued over an extended period of years. It devoted particular attention to 1923, in which year such expenses were especially heavy as a result of the work done to make up for the deterioration of equipment following upon the shopmen's strike of 1922 and reflecting also the cost of the improvement in equipment conditions to meet the goal of the A. R. A. transportation program. The hope was expressed that now that the percentages of bad-order cars and unserviceable locomotives were down to low levels such heavy maintenance would not be continued into 1924, although it might still be expected that the ratio of maintenance equipment expenses to other expenses would still remain higher than it was, let us say, prior to the war. In our article, outside of this explanation of the heavy 1923 maintenance of equipment expenses, no real attempt was made to analyze the reasons for the continuing increases in equipment maintenance cost which has been evident for some time. An article, of course, could be written on that subject. On page 177 of the *Railway Age* of January 12, 1924, there was published a communication by W. G. Edmondson, assistant engineer, motive power of the Philadelphia & Reading, who points out the course that such an article or study might take. Among the reasons for disproportionate increases in maintenance of equipment expenses as compared with maintenance-of-way or transportation expenses, he says, is the heavier and more complicated nature of the modern locomotive. Clearly, the modern locomotive is a more efficient transportation unit, but as the economy and efficiency is developed in reduced transportation expenses, this factor in itself, other things being equal, will, of course, distort the ratio between transportation expenses and those for equipment maintenance. He also refers to the larger car, to the costs of repairing steel equipment, to electric car lighting, etc., all of which increase a railroad's value as a transportation unit, but all of which also are reflected in increased maintenance costs. He has also an interesting point in his reminder that structures are more permanent than they used to be, thereby assisting in keeping down, relatively speaking, maintenance of way expenses. Mr. Edmondson, we know, speaks what is in the minds of many other mechanical officers. His letter is a valuable contribution to the question which our own article

quite naturally raised among mechanical officers, who one and all have doubtless been rather worried about the disproportionate increase in the expenses of their department.

The success which the railways of this country attained in meeting the standards of excellence set by the A. R. A. 1923

Promoters of Prosperity

transportation program accomplished many things. Of these, one of the greatest was the bringing home to the business interests of this nation the realization that there are few factors of greater importance to prosperity than efficient railway transportation. It has been extremely gratifying to note the manner in which the various business statistical services, business analysts and writers have recently made acknowledgment of this fact. The material which is published by such authorities is given wide circulation in all quarters. In some form it has presumably by now reached railway officers of every rank. We hope they realize how general the acknowledgment has been because it means much to them that they should understand how appreciative the business interests of this country are showing themselves for the excellent work which the railway men did in handling the heavy traffic of 1923 with promptness and economy. The title of this editorial is itself taken from a recent bulletin of one of the business services—that of the LaSalle Extension University—and we quote from the bulletin in question because it is typical of a great many others. The bulletin said in part: "There is no single factor of greater potency to the maintenance of our business structure than an efficient railway system. The general prosperity of the last two years has been immeasurably heightened by the efficient handling of freight, lately more than a million cars a week; this quick transportation making possible a fast turn-over of commodities, more sales, and consequently more money in circulation. It has contributed to liquid credit, thus making it easier to do business, and has resulted in better collections by reasons of quick deliveries. . . . These facts in no uncertain terms speak for themselves. 'Credit to whom credit is due.' Another factor in assisting business prosperity has been the enormous purchases of railway material in 1923 and promised for 1924. The various business services have not given this as great attention as might be warranted. It is a detail to which they could, we believe, give deservedly greater attention than they thus far have. It also is one of the high points of the present promising outlook for business during 1924.

There are three factors which are vitally interested in the successful operation of our railways—the public, the employees and the owners. It is necessary

Maintaining a Proper Balance

that a proper balance be maintained among these interests. One factor cannot expect to benefit unduly to the detriment of the others, without seriously affecting the condition and efficiency of the transportation machine. As an example, consider the National Conference on the Valuation of American Railroads, which was held in Chicago last year. Here was a case in which the labor leaders co-operated with the radical politicians in an attempt to force the Interstate Commerce Commission to make a lower valuation of the railroads. An unbiased observer would hardly accuse the Valuation Division of the Interstate Commerce Commission of leaning backward in the interests of the railroad owners, and, yet, here was a body of men getting together to force the valuation still lower. The labor leaders who inspired this movement did so because they felt that the lower they could force the valuation, the less returns it would be necessary to make to the owners and the greater the wages that would be paid to the employees. As a matter of

fact, the establishing of the valuation below a reasonable point will result in discouraging railroad investors and further adversely affecting the credit of the railroads. We have already seen what this means. One result is that the railroads are forced to pay higher rates for the large amount of new capital which it is necessary to raise each year or for refunding maturities of bonded indebtedness. If the labor leaders succeeded in reducing the valuation below a point which the Interstate Commerce Commission considers fair and just there would be no more money available for wages than there is now; in fact there would probably be less because of the effect upon railway credit. Incidentally the action of the labor leaders has helped to keep down the morale of certain parts of the working forces. The leaders took this action without conferring with the railroad executives or owners to get their side of the story—they made no attempt to do so. How much better it would be if, instead of "knocking" the railroads, the labor leaders and the managements could get together on matters of this kind and work them out to the best interests of all concerned. The best results can only be obtained when a proper balance is maintained among the interests of all factors concerned.

The discussion of suburban passenger traffic in the metropolitan area of Northern New Jersey, which has been

Passenger Service in New Jersey

precipitated by the study and report on the subject by the New Jersey State Chamber of Commerce, gives some occasion for hope that a solution may be reached which would be welcome both to the commuters and the railroads. The willingness which the railroads have shown in co-operating with the Chamber in its study is gratifying and evidences their appreciation of the importance to them of some solution for the problem. Northern New Jersey needs increased transit facilities for a growing population, a large part of which commutes daily to New York. Thus far steam railroads, which of necessity must give first consideration to through passenger and freight traffic, have been relied upon almost entirely to provide the facilities required. They cannot be expected to continue to do so, especially as on some of them at least the service is not remunerative. Either some means must be found to make the service pay sufficiently to warrant the expenditure of vast sums of new capital in the provision of new facilities; or some other agency than the railroads will have to undertake the necessary development. J. J. Mantell, vice-president of the Erie, in a frank letter to the Chamber stated that suburban business is bringing nothing but deficits to his company and that it would be glad to dispose of its lines which handle passenger traffic only to a rapid transit company if suitable terms could be arranged. Plainly a thorough examination into the whole problem is needed, together, if possible, with a study of the costs of the service. Meantime, as a measure for immediate improvement in the speed of service it seems strange that no one has mentioned the drawbridge nuisance. Drawbridges open in rush hours cause lengthy interruptions to the service which could easily be obviated by an order of the War Department permitting these bridges to remain closed during these hours. At times in the past the railroads have fought for this authorization almost single-handed and without success. Now that an organization of New Jersey business men has interested itself in the general problem, might it not be an auspicious time for a renewal of the fight? The successful solution of the New Jersey passenger problem will mean a great deal to the railroads directly affected. More than that it is an integral part of the whole problem of securing greater efficiency in the handling of freight at the port of New York—a problem which makes itself felt the country over.

Increase in Farm Crop Value Exceeds Freight Charges

THE MOST STRIKING and conclusive contribution that has been made to the discussion of freight rates on farm products, which has now been going on more than three years, is a statistical table which was published by the United States Department of Agriculture in its weekly bulletin on "Weather, Crops and Markets," for December 29, 1923. This table gives estimates of the value on the farms of all crops in the years 1921, 1922 and 1923. The estimates are based on the total production of the various crops in these three years and the prices that prevailed on the farms December 1 of each year.

The Department of Agriculture in publishing these statistics said nothing about freight rates. If it had done so, radical statesmen, who are urging legislation or other means to bring about reductions of freight rates on farm products as the sovereign remedy for conditions from which the farmers are alleged to be suffering, probably would have added to the other bills they have introduced in Congress a measure for abolishing the Department of Agriculture. We say "conditions from which the farmers are alleged to be suffering," because these statistics afford conclusive evidence that many classes of farmers are enjoying a high degree of prosperity.

The tabulation published by the Department of Agriculture gives the estimated value of practically all farm products except live stock. The total estimated farm value of the 33 different classes of crops included was in 1921 \$5,629,548,000; in 1922, \$7,449,804,000, and in 1923, \$8,322,695,000. The Interstate Commerce Commission some time ago made public a tabulation giving an estimate of the freight rates paid on each class of commodity which was based on the actual tonnage of 1922 and the freight rates in effect in 1923. The carloading statistics of the American Railway Association indicate that the total shipments of farm crops in 1923 were about the same as in 1922, and the statistics of the Department of Agriculture indicate that the total production of all farm crops was about the same in the two years. Therefore, it is reasonable to conclude that the total freight rates paid in 1923 were approximately the same as the Commission's estimates. According to the Commission's statistics, the total freight rates paid on all farm crops which are included in the estimates of the Department of Agriculture was approximately \$660,000,000.

Now compare the *increase alone* in the value of these crops with the total freight rates paid on them. The crops in 1923 had a value *on the farm* which exceeded their value in 1921 by \$2,693,000,000 and in 1922 by almost \$873,000,000. In other words, the *mere increase* in the value of these crops between 1921 and 1923 was 322 per cent greater than the total freight rates paid on them, and the mere increase in their value between 1922 and 1923 was 32 per cent greater than the total freight rates paid on them. Stating the matter in another way, the farmers who produced these crops had their income increased 322 per cent more between 1921 and 1923 by the increase in the prices they received than if they had been given the benefit of a complete abolition of all freight rates on their crops, and they had their income increased 32 per cent more between 1922 and 1923 by the increase in the prices of their crops than if they had been given the benefit of a complete abolition of all freight rates on them.

The statistics regarding the increases—and in one case, that of wheat, the decrease—in the value of some of the larger crops compared with the total freight rates paid upon them make an interesting exhibit, as is shown by the accompanying table.

The value of the corn crop of 1923 is estimated at more than \$311,000,000 more than that of 1922. The total freight rates paid on corn amounted to \$84,500,000. Therefore, the increase in the value of the corn crop was almost four times as great as the total freight rates paid on corn. But this is not the most striking fact that the corn statistics disclose. They show that between 1921 and 1923 the

| Year | Farm Value Based on Farm Prices Dec. 1. | Increase in Farm Value 1923 Over 1922 | Total Fgt. Charges Based on 1922 Traffic & '23 Rates |
|----------------------------|---|---------------------------------------|--|
| 1923 | \$2,222,013,000 | \$311,238,000 | \$84,511,000 |
| 1922 | 1,910,775,000 | | |
| 1921 | 1,297,213,000 | | |
| Wheat (Winter and Spring) | | | |
| 1923 | \$725,501,000 (Dec.) | \$139,502,000 | \$119,499,000 |
| 1922 | 865,003,000 | | |
| 1921 | 754,834,000 | | |
| Oats | | | |
| 1923 | \$539,253,000 | \$60,305,000 | \$34,633,000 |
| 1922 | 478,948,000 | | |
| 1921 | 325,954,000 | | |
| Potatoes (White and Sweet) | | | |
| 1923 | \$434,323,000 | \$86,673,000 | \$46,903,000 |
| 1922 | 347,650,000 | | |
| 1921 | 485,256,000 | | |
| Hay | | | |
| 1923 | \$1,390,967,000 | \$71,690,000 | \$27,782,000 |
| 1922 | 1,319,277,000 | | |
| 1921 | 1,099,518,000 | | |
| Tobacco | | | |
| 1923 | \$298,936,000 | \$9,688,000 | \$8,014,000 |
| 1922 | 289,248,000 | | |
| 1921 | 212,728,000 | | |
| Cotton | | | |
| 1923 | \$1,563,347,000 | \$401,501,000 | \$38,084,000 |
| 1922 | 1,161,846,000 | | |
| 1921 | 643,933,000 | | |
| Cotton Seed | | | |
| 1923 | \$205,538,000 | \$31,318,000 | \$11,102,000 |
| 1922 | 174,220,000 | | |
| 1921 | 102,929,000 | | |

increase in the value of the corn crop was \$925,000,000, which was *more than ten times* as great as the total freight rates paid on corn and *was almost 50 per cent greater than the total freight rates paid upon all farm crops.*

Equally striking are the facts regarding cotton. The increase in the value of the cotton crop between 1922 and 1923 was *more than ten times* as great as the total freight rates paid on it, while between 1921 and 1923 the increase in its value was *more than twenty-four times* as great as the total freight rates paid on it. The estimated increase in the value of the cotton crop between 1921 and 1923 is \$920,000,000. This, like the increase in the value of the corn crop, exceeds by almost 50 per cent the total freight rates paid on all farm crops.

The increase in the value of the potato crop in 1923 was almost twice as great as the total freight rates paid on it. Freight rates on hay have been the subject of heated controversy for almost three years. The increase in the value of the hay crop in the last two years was more than ten times as great as the freight rates paid on it and in the last year almost three times as great.

Radical public men, especially in the west, have been telling the farmers for three years that their troubles were principally due to high freight rates. If this was true two years ago, then the farmers as a whole have no troubles at all now, but are enjoying boundless prosperity, because the increase in the value of their crops within the last two years has been equivalent to the effect that would have been produced if the railroads in 1923 had wiped out all the freight rates on these crops and in addition had given the farmers a bonus of two billion dollars. The increase in the value of the crops in the last year improved the situation of the farmers as much as it would have been improved if all freight rates on farm crops had been wiped out and the railroads had made the farmers a gift in addition of \$212,000,000.

There is, however, one class of farmers that the statistics show have not participated in the increased value of the crops. The value of the wheat crop in 1923 was \$139,-

500,000 less than in 1922 and was worth even less than the 1921. In consequence, the wheat farmer is still suffering and is still disposed to blame his condition upon freight rates. But the statistics of the Department of Agriculture demonstrate beyond question that his condition is due to the fact that wheat has not increased in price as have most other farm products. The decline in the value of the wheat crop in 1923 was so great that the wheat farmer would have been worse off than in 1922 even if the freight rates on wheat had been absolutely abolished, which is sufficient to show that no conceivable reduction of rates would materially improve the condition of the wheat farmer.

In view of the facts disclosed by the statistics of the Department of Agriculture and of the Interstate Commerce Commission, it is no less than astounding that there should be widespread agitation in the country for a reduction of the freight rates on all farm products upon the ground that it is needed to help agriculture. A large majority of the farmers have been helped many times more by increases in prices than they could have been or could be by the reduction of freight rates; and the situation of the wheat farmer is such that no conceivable reduction of his rates would appreciably help him so long as the worldwide situation with respect to the supply and demand of wheat remains what it is.

Co-operation of Railways and Their Patrons

WE ESPECIALLY direct the attention of railway officers to the letters from two former railroad men that are published elsewhere in this issue—one from Ernest Cordeal, now a farmer and live stock producer at McCook, Neb., the other from J. M. Campbell, who is now in business in New York. Both men, although they have been out of railroad service for some time, have retained their understanding of railroad problems and their friendliness toward the railroads. They do not believe, however, that the railroads are doing all they can and should to help their customers and create a friendly sentiment, and they offer some constructive suggestions regarding what the railroads ought to do.

In view of the fact that Mr. Cordeal is farming in the very heart of what is regarded as the radical and anti-railroad west, and Mr. Campbell sends his letter from New York, there is a striking similarity between their criticisms of the railways and the suggestions they offer for improving the railroad situation.

In the year 1923 the Car Service Division of the American Railway Association took the initiative in bringing about the organization of seven Shippers' Regional Advisory Boards. These boards are composed entirely of shippers and representatives of railroad-regulating commissions and their purpose has been stated to be that of forming "a common meeting ground between the shippers and the railroads for the mutual understanding of local and general transportation requirements and to analyze transportation needs in each territory." There has been much misunderstanding among the shippers, especially the farmers, regarding the transportation situation and the needs of the railroads with respect to the furnishing of adequate and satisfactory transportation service. The co-operation between the railways and the shippers which these boards have brought about already has been an important factor in helping the railways to render satisfactory service and in creating a better understanding of railroad matters among shippers.

The possibilities of co-operation between the railways and

their patrons have as yet, however, only begun to be realized in actual practice. There continues to be constant agitation for reduction of freight rates, especially in the agricultural west. Mr. Cordeal, himself now a farmer, indicates, however, that the number of western farmers who are bitterly hostile to the railways and believe their rates should be reduced is much smaller than formerly, and that what is needed to create a better sentiment among them is for the railways to show more interest in the problems of the farmers, and to put forth more efforts to help the farmers solve these problems. He recalls what was done by James J. Hill to improve the breed of live stock and the quality and amount of wheat grown in the northwest. He also refers to what was done by the Burlington last fall to help the farmers in certain parts of its territory to get purebred sires for their cattle and hogs.

Mr. Campbell dwells upon the difficult problems many farmers encounter in finding markets for their products. He says: "Because apparently there is no market for them millions of bushels of apples rot on the ground. In reality there is a market for every apple that grows * * *. My contention is that the railroads are under the moral obligation to help find these markets. If they did there would be very little demand for a reduction in freight rates. Producers would be more prosperous, tonnage would increase, and living costs would be stabilized." There is only too much truth in Mr. Campbell's charge against railway managers that "their present attitude is that they have done all they should be expected to do when they transport freight (foodstuffs, coal, metals, lumber or whatever it may be) from where it is produced to where it is sold." He cites the example of other industries which "adhere to the policy that their interest in their customers does not end when the thing they make passes from their hands to that of the producer."

Mr. Cordeal's view in substance is, that the railways ought to show more interest in their customers by helping them to increase their production and improve the quality of their products. Mr. Campbell believes that railways should do more to help their customers find markets for their products. Together their suggestion is, that the railways ought to take more interest in both the production and marketing of the commodities they transport as well as in transporting them satisfactorily.

The problem of establishing more harmonious and friendly relations with their patrons is the most important problem confronting the railways. Men who have been in railroad service and are now railroad patrons are admirably equipped by experience to offer helpful suggestions for the solution of this problem; and this Mr. Cordeal and Mr. Campbell have done.

Senator La Follette Repudiates Himself

NEVER before, probably, in the history of the United States did any public man so completely stultify and repudiate himself and his own work as did Senator R. M. La Follette of Wisconsin when last week he introduced in the Senate a bill to nullify the Railroad Valuation Act of 1913, of which he was the author, and to undo all that has been done under that act.

The law Senator La Follette got passed in 1913 directed the Interstate Commerce Commission to "ascertain and report the value of all of the property" of railways. He estimated in a speech that the work would cost about \$2,500,000. The work already done has cost the federal government and the railways about \$100,000,000, or approximately 40 times what he estimated. The bill he introduced last week in

effect prohibits the Commission from ascertaining and reporting the value of the railways. If it should be passed the Commission would have to discard much of the information, and all the findings as to "value" which it has thus far made, and practically begin its work over again.

The complete difference between what Senator La Follette in 1913 got Congress to direct the Commission to do and find and what he asks Congress in 1924 to direct the Commission to do and find is best shown by the following deadly parallel between the provisions of the La Follette Act of 1913 and the La Follette bill of 1924:

PROVISION OF LA FOLLETTE'S RAILROAD VALUATION ACT OF 1913.

"The commission shall * * * investigate, ascertain and report the value of all the property owned or used by every common carrier subject to the provisions of this Act * * *. Said Commission shall ascertain and report in detail as to each piece of property * * *, the original cost to date, the cost of reproduction new, the cost of reproduction less depreciation * * *. The Commission shall in like manner ascertain and report separately other values and elements of value, if any, of the property of such common carrier. Such investigation and report shall state in detail and separately from improvements the original cost of all lands, rights-of-way and terminals owned or used * * * and ascertain as of the time of dedication to public use and the present value of the same and separately the original and present cost of condemnation and damages or of purchase in excess of such original cost or present value. * * *. The Commission shall thereafter in like manner keep itself informed of all extensions and improvements or other changes in the condition and value of the property."

PROVISION OF LA FOLLETTE BILL OF 1924.

"The Commission shall * * * adjust such rates so that carriers as a whole * * * will be reimbursed for the reasonable cost of the transportation service rendered. The reasonable cost of such service shall be the amount found necessary for reasonable operating expense (including taxes and adequate provision for maintenance and depreciation) and for reasonable capital cost. The reasonable capital cost shall be based on the amount of investment prudently required and utilized to furnish the transportation service in question. * * *. The Commission shall use the recorded cost of producing the existing property * * * to the extent that reliable records are available and that such recorded cost is not shown to have been unreasonable; shall supply deficiencies in reliable recorded cost of estimates of the maximum of what reasonable costs would have been; shall make appropriate deduction for diminishment of the investment in carrier property through abandonment or depreciation of such property * * *."

"Having determined the amount of such investment the Commission shall find the reasonable capital cost which shall equal cost of money obtained upon outstanding evidences of indebtedness plus a fair return upon the investment remaining after deducting the amount of such evidences of indebtedness, the said fair return to be determined by the current cost of money obtained upon securities of similar character to those representing said balance of investment for investments in enterprises of similar risk. * * * whenever * * * the Commission shall have determined the rate base for an individual carrier * * * the rate base so ascertained shall be utilized by the Commission to determine the reasonable capital cost of transportation service. * * *"

"* * * the Commission shall thereafter * * * require the carrier to report * * * net additions and betterments in such form and detail that the Commission * * * shall be able to determine the amount of additional investment prudently made in the property of the carrier * * *. The amount of additional investment * * * shall be added to the original rate base."

Senator La Follette's valuation act of 1913 obviously attempted to direct the Commission to base its valuation upon all factors the Supreme Court of the United States has held should be included in conformity with constitutional principles. The bill he introduced last week plainly ignores all the decisions ever rendered in which the Supreme Court has set forth the factors that must be considered in valuation. In fact, it does not provide for a valuation at all, but for establishing a "rate base." The court always had held that actual investment, the present cost of reproduction and all other elements entering into true value must be considered. Senator La Follette's latest bill directs that the valuation of the railways shall be based—not even upon the investment

actually made—but entirely upon "the amount of investment prudently required."

When he introduced the bill he issued a statement to the public saying that this was the basis on which his act of 1913 contemplated the valuation should be made. The dishonesty of this assertion is proved by the Valuation Act of 1913 itself which, as the quotations from it above given show, expressly required the Commission to ascertain, not only "the original cost to date" but also "the cost of reproduction new, the cost of reproduction less depreciation" and "other value of elements of value."

Every lawyer and every other student of the decisions of the courts will immediately pronounce the provisions of Senator La Follette's new bill in direct conflict with the federal constitution as it has always been interpreted.

The bill is even more interesting and significant from the standpoint of economics and public policy than from that of constitutional law. What it actually provides is this: If a railway company has in the past or shall in the future make an "imprudent" investment in property, this investment to the extent that it is imprudent shall be eliminated from its valuation, and it shall not be allowed to earn any return whatever upon it. On the other hand, if a railway company has in the past or shall in the future make an investment that is prudent, there shall not be included in its valuation any allowance for increase in the value of the property created or acquired by this prudent investment. Prudent investment shall be included in the valuation at its original amount. "Imprudence" is to be punished, but "prudence" is not to be rewarded.

What is meant by "prudent"? There are some entire railways which, measured by the returns they have been able to earn, might be held to have been "imprudently" constructed. Plainly under Senator La Follette's bill they cannot be given any allowance in making up his "rate base," or allowed to earn any return and must be abandoned and torn up. Practically every railway system has lines which, because of light traffic and small earnings might be held to have been "imprudently" built. The investment in them apparently must not be included in the "rate base," and in consequence the net return allowed to be earned by the entire railway system must be correspondingly reduced. There are other railways and parts of railways which have been so "prudently" constructed and developed that they handle extraordinarily heavy traffic and make extraordinarily large net earnings. Only the actual investment in them, however, may be included in the "rate base," and upon the investment made in them there is to be allowed to be earned a return only sufficient to pay interest on their bonds and dividends on their stock equivalent "to the current cost of moneys obtained from securities of similar character * * * for investments and enterprises of similar risk."

The true character of Senator La Follette's principles as a public man is made only too clear by the provisions of the valuation act which he got passed in 1913 and the bill he has just introduced. They show that, as was charged against him in 1913 prior thereto, what he was actually seeking to do was not to secure a "square deal" for both the public and the railways, but to prove the charge he had for years made that the railways were enormously overcapitalized and should have the net return earned by them greatly reduced. He believed the valuation act of 1913 would accomplish his purpose. About \$100,000,000 having been spent and ten years' work done in an attempt to carry out the provisions of his valuation act, and the result having been to show that a valuation made in accordance with that act will prove that the railways are not overcapitalized, he now publicly and completely repudiates that act and introduces a bill that he knows is wholly unconstitutional. His obvious purpose is to provide himself and other radicals with a new platform upon which they can continue their

propaganda against the railroads and their efforts to create public sentiment in favor of railroad confiscation.

The record made is one of the most unsavory in the history of American public affairs. It is a record of the grossest unfairness and inconsistency in dealing with a great public problem. Its unfairness and inconsistency are so plain that it would seem they should cause a reaction among their constituents against Senator La Follette and other public men who may support his bill. Past experience has shown, however, that such unfairness and inconsistency on the part of public men, becomes plain to many people only when they are plainly pointed out to them.

Books and Special Articles of Interest to Railroaders

(Compiled by Elizabeth Cullen, Reference Librarian, Bureau of Railway Economics, Washington, D. C.)

Books and Pamphlets

The Marvels of Railways, by Archibald Williams. Popular book discussing history and interesting engineering features of important systems throughout the world. 249 p. Published by Lippincott, Philadelphia.

The South American Handbook 1924, Including Central America, Mexico and Cuba. "Railways of Latin America," p. 537-555. "Argentine State Rys.," p. 620-621. The hardy may be interested in the combination rail, mule and canoe trips mentioned. 625 p. Published by South American Publication Co., London, Eng.

Statistical Abstract of the United States 1922. Compiled by U. S. Dept. of Commerce. Railway and express company statistics, p. 307-324, freight rates and internal commerce statistics, p. 325-332. Panama canal traffic figures included in those on Merchant marine and shipping, p. 333-350. 755 p. Published by Government Printing Office, Washington.

Trade, Transport and Finance, by G. Mairet. Especially Chapter 6, "Carriage and carriers," and Chapter 7, "Railway and canal traffic." Chiefly on European methods. 44 p. Published by Macmillan, London, Eng.

Periodical Articles

Justice to the Railroads, by Rev. H. C. Hengell. Plain words regarding "progressive" propaganda. *Aera*, January, 1924, p. 929-931.

The Madeira-Mamoré Railway, by Frank A. Stead. Includes account of the "Col. Church," the road's first locomotive placed in service 1878, abandoned when road was abandoned 1891, rebuilt 1921, and now in service on completed railroad. *Baldwin Locomotives*, January, 1924, p. 19-27.

Men in Wall Street's Eye. Introducing Mr. Paul Shoup, by A. St. John. *Barron's*, January 7, 1924, p. 11.

New Era of Low Cost Freight Transport, by H. McL. Harding. North Carolina as example of what co-ordination of highway and waterway transport will do towards reducing farmers' transportation expenses. *Port and Terminal*, January, 1924, p. 14-16.

Pennsylvania's Saving Plan. Every Station Agent of Big Railroad a Receiving Teller. Working of the Employees' Provident and Loan Association. *Savings Bank Association*, January, 1924, p. 819-820.

Recent Developments of the Temiskaming & Northern Ontario, by S. B. Clement. What the railroad is doing to develop the section into which it has penetrated. *Engineering Journal [Canada]*, January, 1924, p. 12-20.

A Record Railroad Year [1923], by Julius H. Parmelee. The achievements of 1923. *Annalist*, January 7, 1924, p. 29-33.

Letters to the Editor

[The RAILWAY AGE welcomes letters from its readers and especially those containing constructive suggestions for improvements in the railway field. Short letters—about 250 words—are particularly appreciated. The editors do not hold themselves responsible for facts or opinions expressed.]

College Students and Seniority

INDIANAPOLIS, Ind.

TO THE EDITOR:

It is the educated strata in every line of endeavor that determine its degree of progress and efficiency. The educational plane of our transportation systems has been determined by two factors, seniority and government regulation. It is admitted that they possess elements of good. However, their functioning in railroad operation has proved more of a hindrance than of benefit and has resulted in the low educational plane on which we find railroad men today. The railroad employee has become enslaved to seniority; the railroad officer chained by government regulation; and the educational ambition of employees has been stifled to a low ebb.

The college graduate, an open opponent of the present system, has been driven from railroad work to other industries where opportunity offers the best "to the survival of the fittest." The student will not place his four years' college experience on a seniority roster four years below that of the employee who has spent this period shuffling mail and files in a railroad office.

Railroad problems will be solved by educated employees. Waste in railroad operation can be traced to ignorant employees. Efficient railroad service demands the keenest business men in the world. Big, complex issues continually require solution with the greatest alacrity. The necessity for a high educational strata for the railroad employee is paramount. To attain this goal, a new spirit in railroad affairs must be developed by those railroad men in authority. Hold out to the educated man that perfect reward called "opportunity."

The work of promoting education among railroad employees only requires the "pep" of men in authority, but this work must be planned to accomplish two things. First, promote present employees to a higher standard of efficiency. Second, disseminate word regarding the successful work of railway employees in the competitive business world so that the desire for railroad work will be created among men outside of railroad service.

The growth of the educational spirit in railroad work will wear down many of the evils of today's systems and promote in their place a spirit of service that will call for the repeal of seniority rosters and restrictive government regulatory laws, thereby giving to the public a transportation service compatible with American life.

ALONZO SWARTZ.

"HEALTH SERVICE FOR SMALL PLANTS" is the title of a Safe Practices Pamphlet recently issued from National Safety Council headquarters, Chicago. The health activities outlined in this pamphlet have been found practicable for plants employing 400 or 500 men or more and many of the methods can be adopted in plants employing as few as 50 men. Several well known industrial physicians assisted in compiling and editing the authoritative information contained in this pamphlet.

How Railroads Should Co-operate With Patrons

Two Friendly Ex-Railroad Men, One Now Farming, the Other in Business, Express Highly Significant Views

THE *Railway Age* recently has received letters from two former railroad men discussing the relations of the railways with their patrons and especially with the farmers. The writer of one of these letters, Ernest Cordeal, until three years ago was a railroad man and is now operating a farm and stock ranch near McCook in the western part of Nebraska. The writer of the other letter, J. M. Campbell, was in railroad service twelve years and is now in business in New York. Therefore, they both are familiar with the problems and point of view of both the railroad men and those to whom railroad service is rendered. One lives in the west where radical sentiment is supposed to prevail among the farmers. The other lives and works in the very shadow of Wall Street, which is supposed to be anathema to all western farmers. There is, however, a striking similarity in the views expressed by these two former railroad men, whose unusual intelligence is demonstrated by the letters written by them. The letters are published

together below because it is believed that they will be highly interesting and helpful to all railway officers who are anxious to establish between their railways and the public, the relations needed to promote the welfare of both.

In transmitting the following letter to this paper, Mr. Cordeal stated that "from association with farmers in Equity Union and Farm Bureau organizations, I have had an opportunity to see how general is their misunderstanding of the facts relating to transportation. I think that the railroads could accomplish much to their benefit by cultivating a better acquaintance and courting the friendship of agriculture."

Mr. Campbell in forwarding his letter stated that so far as the railroads are concerned he is "only a stockholder and is somewhat disturbed because four of the seven railroads whose stocks I own have reduced their dividends and there is, I fear, a possibility that some of the others may do likewise."

Co-operation By Railroads the Great Need

By J. M. Campbell

I am an ex-railroad man.

I spent ten happy years with one railroad and two years, not so happy, with another. Then, believing that the opportunities in commercial life were greater than in the transportation world, I got out of railroading. I've never gone back, and it is not likely I ever shall.

From a financial standpoint, I made no mistake when I changed occupations, for, I am sure, I am much better off than I would be if I had remained in railroad service.

I go into these more or less personal details because I want the readers of the *Railway Age* to know that for a considerable part of my business life, I looked at things from their point of view.

I was opposed, bitterly opposed, to what I called "legislative interference." I regarded government ownership as a dream—as something which no one but a crank would favor, for a moment. The railroads, I believed, were private enterprises and "should be let alone." I believed many other things, just as did practically every man in railroad service at that time; and as, I imagine, most of them do today.

But I am 20 years older than I was 20 years ago; and I have met a good many men and read a good many books and seen a good many things whom and which, in all likelihood, I would not have met or read or seen if I had remained on the payroll of the A. B. & C. Railroad. And I am writing this article from a different point of view than that from which I should write if I were still a railroad man.

My point of view, I believe, is broader and fairer than it was 20 years ago. If I were asked to tell, in two words, just what it is, I should say that it is that of a "friendly critic." I am friendly because I have no reason to be otherwise, and also because I own stock, a considerable amount of stock, in seven different railroads. I am a critic because four of the railroads whose stock I own have reduced their dividends in the last couple of years and also be-

cause there is, I fear, a possibility that one of the others may take similar action.

But before I do any criticizing—and I submit that when a man's pocketbook has been touched to the tune of several hundred dollars a year, he has a right to criticize—let me make my present position entirely clear.

I am as strongly opposed as I ever was to government ownership. I believe it would be bad for everybody. Yet there is more than a possibility that it may come. If it does come, it will, I believe, come, not because the public particularly wants it, but because of a condition which, it seems to me, is inherent in railroad management. Thomas Edison describes it as "the inertia which makes large complex organizations move slowly." And he cites, as indicating what he has in mind, the apparent unwillingness of railroads to adopt the light self-propelled car for passenger train service on branch lines.

Every railroad man knows that the automobile and the motor-bus have completely changed transportation conditions in the United States. But passenger train service—on branch lines—has not changed. It is as it was 25 years ago. Once, twice or three times a day a locomotive, followed by a combination baggage, mail and express car, a smoker and a coach, leaves the terminals at each end. I am not enough of a technician to know whether a gasoline-propelled car or a battery-propelled car is the better. I do know that it is absurd to continue to employ a locomotive and three cars to handle passengers, express, baggage and mails which can be handled, equally well, by one self-propelled car.

But, after all, it is not from passenger earnings that railroads earn the money with which to pay dividends. That comes, if at all, from the transportation of freight. And it is in connection with the transportation of freight that nine-tenths of the criticism directed against the railroads has its genesis. Freight rates, we are told, are so high that they discourage production. The farmer, for example, points

to the fact that the present price of wheat, on the Chicago market, is so low that it is unprofitable for him to continue to raise it. The cattle man, likewise, feels that, somehow or other, he is getting a raw deal. And they—and men in a dozen other lines—stress the fact that while the producer is receiving too little, the consumer is paying too much. Somewhere in the chain that leads from the farm in the country to the table in town, somebody (or, more likely, several somebodies) is getting an unfair profit. That is the frame of mind most producers are in today. And so they talk, rather wildly, I admit, about the need of reducing freight rates and of organizing co-operative marketing associations.

Several railroads acting, I imagine, on the suggestion of the *Railway Age*, have taken cognizance of conditions, and in advertisements in the press are putting their case before the public. That is all right, as far as it goes, but, in my opinion, it does not go far enough.

In these advertisements—or at least in such of them as I have read, and I have read many—the farmer is told that his present unfortunate plight is due to the fact that Europe is, economically, on its back; that the demands of organized labor are so great that a reduction in the cost of operating railroads is out of the question; and that, even if freight rates were lowered, the farmer would be benefited little or not at all. The farmer is also told that the railroads pay two or three or four times as much in the way of taxes as they did only a few years ago; and that much of the money which the railroads pay for taxes is spent to build and maintain highways, which, in many cases, are used by motor-buses and motor-trucks in competition with the railroads.

All of which is true. The producer should be told these things. It is the duty of the railroads to tell them. But, honestly, I am not at all sure the producer is any happier because of the telling. He is like a man who has been hit with a rock. He wants to know who threw the rock. The mere fact that the only man in sight (which in the case under consideration happens to be the railroad man) can prove that he is guiltless, does not heal the wound. It still hurts.

That is the condition which nine out of every ten producers are in at the moment. They have been hurt. And they are "sore." And, as almost always happens when men are "sore," they hit, blindly, at the nearest thing in sight. That, as I have already said, is the railroad—the thing, above all others, upon which the producer's well-being depends. Producers cannot live without railroads. On the other hand—and this, it seems to me, is something which railroad managers sometimes forget—the railroads cannot live without the producers.

Another matter which, it seems to me, is not always remembered, is that producers will not continue to produce if it is not profitable for them to do so.

Is it necessary to say more to prove my point, which is that, fundamentally, the interests of the railroads and the interests of the producers along their lines are identical? Both of them are in the same boat. If the boat leaks, it must be bailed out; because if it isn't, it will sink.

All this is preliminary to the statement that railroad managers will do well to give more thought than they have given in the past to plans which promise to help the producer—not by reducing freight rates but in other ways.

The greatest problem the producer has is to find a market for his product. Because, apparently, there is no market for them, millions of bushels of apples rot on the ground. In reality, there is a market for every apple that grows. Same way with everything else—a market for it exists.

My contention is that the railroads are under a moral obligation to help find these markets. If they did that, there would be very little demand for a reduction in freight rates.

Producers would be more prosperous, tonnage would increase, and living costs would be stabilized.

It may be said that railroads are not organized to undertake a thing of this kind. That is true. But it is a reflection on the intelligence of the American people and the management of American railroads to say "it can't be done."

It can be done. It should be done. Before it is done, however, it is essential that there be a complete change of thought on the part of railroad managers. Their present attitude is that they have done all they should be expected to do when they transport freight (foodstuffs, coal, metals, lumber or whatever it may be) from where it is produced to where it is sold. In this belief they are, I am convinced, mistaken. And in support of this statement, I point to the trade practices of other industries which have attained enormous proportions in a comparatively few years. These industries—the automobile, the telephone, the radio, the talking machine, the motion picture—adhere to the policy that their interest in their customers does not end when the thing they make passes from their hands to that of the purchaser. The automobile manufacturer continuously fights for better roads—for the benefit of the people who have bought his car. The telephone company extends—and keeps on extending—its facilities—for the benefit of its customers. The radio companies see to it that daily something new, something worth while, is broadcast—for the benefit of those who have bought radios. Same way with the talking machine and the motion picture—their policy is framed to bring about a continuance of a friendly relationship between them and their customers.

Can as much be said for the railroads? I do not think so. Usually, when one buys a railroad ticket, one has the impression that the man behind the counter really does not care very much whether one buys or doesn't buy. Same way when one ships a car of freight.

While, of course, there are exceptions, it is a fact that the attitude of the average seller of transportation is one of complete indifference. "Take it or leave it"—that is how he feels, apparently.

Now, it is too much to expect that this attitude can be changed overnight. It cannot. But what can be done is to inaugurate a policy of sincere co-operative effort which works 24 hours a day and 365 days a year.

That, as I have already said, involves a complete change of thought, on the part of railroad managers. From the president down, railroad men must think in terms of co-operation. That is the only way out of the morass in which the railroads are now floundering. Co-operation! Sincere, honest co-operation! Co-operation that begins at the beginning and continues to the end! Co-operation that changes its form to meet the differing requirements of different industries! Co-operation that is based on the conviction that if you do the right thing by men, they will do the right thing by you!

That, I admit, is a "pretty big order"—to change the mental attitude of the million and a half men and women who have a hand in the management and operation of the railroads of the United States. But it can be done, if it is worth doing. I submit that it is worth doing.

How can it be done? I cannot answer that question, but I know how the answer can be obtained. *From the public!* Do what Mr. Bok did when he wanted a Plan for Peace—offer prizes that are generous enough to make it a certainty that the best minds in America will help solve the problem.

I myself, in the work in which I have been engaged in recent years, have done that, time and again; and always with success. Whenever an unusually complex problem presented itself, I have gone to the public, admitted frankly that I wanted help and have offered to pay—and pay well—for plans or suggestions that would throw light on my problems. Always, ALWAYS, I got the information I wanted.

The explanation, as I see it, is this: There is more knowledge in regard to any given subject in the minds of *all* the people than in the minds of a relatively small percentage of them. This knowledge, under normal conditions, lies fallow. Make it worth people's while to impart it and they do so.

There are, beyond a doubt, many men in railroad service who realize that everything is not as it might be in railroad administration. Some of these men have their own ideas as to what should be done to bring about a much-to-be-desired change. But they hesitate to make suggestions, because they feel they would not be welcomed.

These are the men—thinkers—who would jump at the chance of expressing themselves. But they constitute only a small percentage of those who would contribute worthwhile ideas. I say this because it has been my experience

that the most helpful ideas come, not from men *in* an industry but from men *outside* of it. This suggestion of mine, I am fully aware, will not appeal to railroad managers who think in terms of the last decade of the nineteenth century.

But among the hundreds of men on whose shoulders rests the burden of managing the railroads of the United States and Canada, surely there are more than a handful who realize that present methods have not justified themselves. These are the men in whose hands the future of the railroads lies. These are the men whom I hope to interest.

And, I am sure, they will agree with me when I say that the best investment the railroads can make is to set aside a fund large enough to make it a certainty that the most intelligent minds in the country will co-operate with them in solving a problem which confronts them, no matter where they go or in what direction they turn.

The Farmer and the Freight Rate

By Ernest Cordeau

There was a time, not so far in the past, when the mere mention of the word "railroad" was sufficient to send a Middle West farmer into a brain storm, more or less violent as his temperament was placid or febrile. There may have been, in fact there must have been, some excuse for this universal attitude of antagonism, and it is more than likely that the railroad men of a half a century ago, in their haste to establish the fortunes of the transportation industry, trespassed upon the rights of agriculture to an extent which brought upon them the anathema of the farmer. However that may be, the passing generation of farmers in the grain belt learned at their mothers' knees to hate the devil and the railroads equally.

To men so reared and to a lesser degree to their sons, a freight rate is high primarily because it is a railroad charge and its exact relation to the value of the service which it represents is a matter of purely secondary moment. To the man who has held to his hatred of the carriers as he has to his religion, and there are some such, freight rates might be cut in two or wiped out entirely without making a favorable impression; but such men, numerous ten years ago, are scarce today and a large proportion of the farmers of the Middle West could easily be brought to a co-operative understanding with the railroads if the effort were initiated and consistently followed up.

It is significant of the changing attitude of the grain belt toward the transportation companies that at a recent rate hearing farmers, stock men and bankers, much to the discomfort of the politicians, actually testified voluntarily in favor of the carriers. Ten years ago such a performance would have paralleled a miracle, and the witness would probably have been lynched or confined in a home for the hopelessly insane. As it was, the occurrence did not even raise a wave of indignation.

The opinion that freight rates are discriminatory against the farmer of the Mississippi and Missouri Valley has been carefully nursed by a succession of politicians and publicists for the purpose of holding the agricultural vote in line, and the effort has been to some extent successful. Some of the states of the Middle West have sent men to Congress term after term and have seated men in the governor's chair who could advance no other claim to public support than that they were for the farmer as evidenced by their consistent attitude of hostility toward the railroads.

It would seem that the time has now come when the barrier of misunderstanding and of umbrage should be broken down, and that a co-operative understanding should be established between the two greatest of America's indus-

tries so that the economic wastes which must result from constant warfare may be eliminated. If there is any purgative virtue in misfortune it is certain that both transportation and agriculture should stand free from any evils which may have grown up in the days of their prosperity. The railroads have been investigated and regulated, surveyed and supervised, valued and revalued until every financial or industrial crime and misdemeanor has been uncovered and until every present and future action is circumscribed by law and rule. Agriculture, at the same time, has been defecated of its sins and its follies by months of struggle against conditions wherein the cost of production has not been returned in the value of the product.

In the period of industrial reconstruction which will occupy the next several years, the greater the degree of co-operation between the various branches of business the more smooth and rapid will be the recovery of normal prosperity. If the farmer continues to fight against the adoption or the continuance of those measures which are necessary to the health of transportation he is not only injuring the railroads but he is delaying permanent improvement in his own condition. If the railroads do not take advantage of the present opportunity to firmly establish themselves as friends of agriculture then they will have failed to annex an ally, who will be sorely needed before transportation is freed wholly and surely from the grasp of politics.

It is obvious even to the superficial student of economics that no lasting benefit can come to agriculture or to industry as a whole through any reduction in freight rates which would mean a decrease of railroad revenues below the amount required to pay operating expenses, interest on invested capital and to provide for needed renewals of roadway and equipment and for the extension of lines. On the other hand it would be highly advantageous to the carriers, as soon as such action becomes possible, to voluntarily readjust rates upon the products of agriculture and upon the manufactured products which the farmer buys and uses when he can afford it. The tonnage of freight to be moved must be materially affected by the prosperity of the farmer, and while the freight rate is by no means the most important factor in regulating the quantities bought and sold by merchants and traders in the agricultural districts it has an effect which cannot be ignored.

Any present reduction of freight rates which would be at all reasonable from the transportation point of view would probably have not the slightest effect upon the current prosperity of the farmer. A reduction in the rate on the commodities which he produces would no doubt be absorbed by

a decrease in price at the market. A reduction on the goods which he buys would stimulate purchases very little because the farmer has no present surplus with which to satisfy his needs or his desires.

Aside from the question of rates, which it would seem best to lay aside until the railroads have had time and opportunity to recoup their fortunes and restore their physical properties, there are things which can be done by the transportation companies to assist in the recovery of agriculture from the depression in which it now languishes. Jim Hill, the best friend the farmers of the Northwest ever had, showed the way for railroad executives to lend substantial and practical aid to the farmers, and it is to be regretted that those who have followed him, and who have profited largely by the improved methods which he introduced into railroad operation, have not more generally adopted the practices which he so profitably employed in promoting the agricultural prosperity of the country served by his lines.

Jim Hill imported purebred bulls to raise the standards of live stock and brought seed wheat of superior quality into the country by the train load so that grade and yield might be improved. He studied the problems of agriculture and lost no opportunity to advise and instruct the farmers of his section in better methods of crop culture. Hill was the original exponent of rotation of crops in the grain belt, and if the farmers could have been weaned away from their high grading methods at the time when that great industrial sage preached the doctrine of conservation of soil fertility, agriculture would never have had to go through the period of starvation which has followed the war. Land which consistently grew 40 bushels of wheat to the acre when the land was first settled now does well to produce a 10-bushel average. If Jim Hill's advice had been followed 40 bushels would still be the average and 75 cents a bushel would be a sufficient price. Bushels per acre mean the same thing to agriculture that tons per train-mile mean in transportation. On the farms of the Middle West there is still a predominance of scrub live stock, nor have the older farming districts of the East entirely eliminated these inefficient feed consumers, and the railroads are in a favorable position to take a leading part in the substitution of better blood. The farmer must be educated and initially encouraged to make the change to improved breeding and for this purpose a disinterested agent between the breeders and the farmers is required. The government and state bureaus carry on this work after a passive fashion, but it is active agitation and some assistance that is needed.

Last fall the Burlington, which has always been more or less active in lending assistance to agriculture, made up a special train to operate over its lines in Colorado carrying 30 selected purebred bulls and a like number of boars which were traded to the farmers in the various counties for their grade sires. The railroad went to considerable expense in preparing and running this train, the breeders who furnished the bulls and boars took a current loss in the transaction, but in the end both the railroad and the breeders will profit substantially by the general improvement in the state's live stock, by the education of the farmers in better methods and by the better understanding established between the farmers and the railroad.

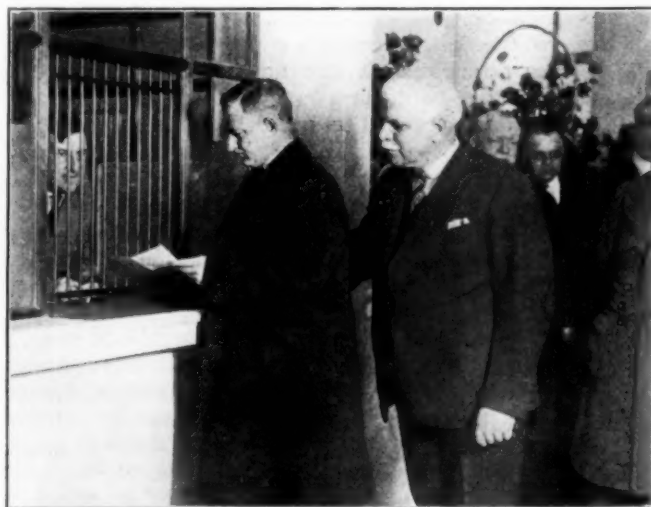
In the Christmas edition of the *Breeders' Gazette*, one of the best of the widely circulated farm papers, President Storey of the Santa Fe talked to the farmers in an interesting and enlightening way on some of the problems of transportation. This is the kind of thing which will tend to bring the two great industries into closer understanding and sympathy. It is only too often that local agents, minor officials and trainmen, with whom the farmer and the stock breeder come in direct contact, antagonize these important patrons by treating them with rudeness or indifference. The farmer or the stock man, while he may be an individual

of some importance, is usually roughly dressed when about his occupation, and it is feared that railroad men in minor capacities do not possess or at least do not exercise that discriminating judgment which should permit them to distinguish between the clothes and the man beneath them.

The ordinary farmer is a far more important person so far as the transportation companies are concerned than is the ordinary man of the town, and it is only the greater of the manufacturers and merchants who give more business, directly and indirectly, to the carriers than do the big farmers and stock men. The employees of railroads who do business with the public could do much toward smoothing the relations between the carriers and their patrons by adopting a manner of uniform courtesy toward every person with whom they come in contact in the discharge of their duties without regard to that person's dress or appearance. The great mercantile companies have found that it pays well to insist upon their employees treating all customers with consideration and respect and the practice would be no less useful in popularizing the railroads.

Division officials might promote better understanding and more cordial relations by taking an active and intelligent interest in local and state farm organizations. Railroad officials and town business men fraternize in such associations as Chambers of Commerce and Rotary Clubs, and the result is a better mutual understanding of each other's problems and less friction in business relations. There is no reason why the same degree of association should not exist between railroad men and farmers. When the time comes that agriculture and transportation sit down to the same table to talk over their difficulties and to seek co-operative means of improving their condition the problems of both will be largely solved.

The initiative in establishing a closer relationship between the farmer and the railroad must come from the latter. The farmer has been taught to believe himself aggrieved, and even though he be wrong in this he will make no first move toward friendship. The farmer from the very nature of his life is not inclined to seek companionship outside his class, and the first advances must be made by the more gregariously inclined railroad man. It is to be hoped that the splendid example set by Mr. Storey and the *Breeders' Gazette* in getting together for a talk over problems of mutual interest will be followed up until farmers will be heard at every meeting of railroad men and until railroad men will take an active part in agricultural deliberations.



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Wood Preservers Show Economy of Treatment

Service Records Demonstrate Increased Tie Life—Creosote-Petroleum Oil Mixture Promises to Cut Cost

FURTHER DATA showing the increase in the life which can be secured from cross ties by treating them with preservatives were presented by several roads at the twentieth annual convention of the American Wood-Preservers' Association at Kansas City this week. The possibility of offsetting the increasing cost of creosote by the substitution of a mixture of petroleum oil and creosote for the treatment of ties was also discussed at length in an elaborate report. The meeting was held at the Muehlebach Hotel with an attendance of approximately 250 members and guests. The sessions were presided over by H. S. Sackett, president of the association and until recently assistant purchasing agent of the Chicago, Milwaukee & St. Paul.

Mr. Sackett stated that he believed the time was near when the association should form an inspection bureau, membership in which should be compulsory for all members of the association's service bureau. He also suggested that products of member companies of the service bureau be given the association's distinctive trade mark and guaranteed by the association.

Creosote-Petroleum Oil Mixture

The relatively high cost of creosote has caused a number of railways and private treating companies to endeavor to develop other materials of equal preservative value at lesser cost. The possibility of securing the toxic value of creosote while at the same time reducing the quantity used by mixing it with petroleum oil and the results which have been secured with a mixture of this character were discussed in an extended report prepared by a committee of which R. S. Belcher, manager treating plants, Atchison, Topeka & Santa Fe, was chairman. The following is an abstract of this report:

The addition of coal-tar to creosote oil for the purpose of treating ties has been considered good practice for some time. Its adoption on a large scale in 1908 was mainly the result of: first, a shortage of creosote oil to meet the increased

requirements of the railroads in treating their ties with this kind of preservative and, second, the rapidly increasing cost of creosote oil.

Results obtained from ties treated with a creosote coal-tar solution have been gratifying. They compare favorably with those obtained from ties treated with pure distillate creosote oil.

The quantity of tar now available for admixture with creosote is limited. The cost of tar is relatively high. A substitute is necessary. It must be available in large quantities. It must be cheap. It must fulfil practically the same office as does the tar in the treated tie. Viewed from this standpoint, petroleum residue of proper grade fulfils these requirements admirably in that

- (a) both tar and petroleum go into solution with creosote oil.
- (b) both tar and petroleum are stable.
- (c) both materials in themselves have only a limited toxicity.
- (d) their water-shedding qualities are similar.
- (e) a proper petroleum-creosote solution, like the coal-tar-creosote solution, enters readily into the timber under proper manipulation of temperature and pressure during the treating processes.

A series of tests conducted at the Forest Products Laboratory, Madison, Wis., by Ernest Bateman, chemist in forest products, indicated that while petroleum-creosote mixtures are not as toxic as the same amount of creosote, this makes little difference commercially, provided mixtures containing at least 20 per cent of creosote are used, because such mixtures should be toxic enough if used in excess of six pounds per cubic foot of timber.

The committee reported that the Santa Fe treated approximately 1,000,000 ties with a mixture of creosote and petroleum oil at its Albuquerque, N. M., plant between 1909-1914, and that so far as can be ascertained none of these ties have been removed from track on account of decay, although they have been in service from 7 to 14 years. The installation of

1,000 ties treated by the same road with different mixtures of creosote and petroleum oils in 1909 and 1910 and placed in track near Cleveland, Tex., was reported to show 87.9 per cent still in track after 11 years' service under very adverse conditions.

The committee reported that at the present time the Atchison, Topeka & Santa Fe, the International-Great Northern, the Philadelphia & Reading and the St. Louis-San Francisco are using ties treated with this mixture.

Conclusions

1. Creosote for mixture with petroleum oil shall be any of this Association's standard grades of creosote and creosote-coal-tar solution for ties and structural timbers.

2. (a) The petroleum oil used should preferably be of asphalt base, but an oil of mixed paraffin and asphalt base may be used where such an oil is found which mixes with creosote in the required proportions without formation of more than 1½ per cent of sediment.

(b) The specific gravity of the petroleum oil is not important.

(c) The minimum flash point of the petroleum oil in closed tester should be 225 deg. F.

(d) The maximum viscosity of the petroleum oil should be such that when mixed with creosote in the desired proportions at treating temperature the mixture will readily penetrate the wood. (A satisfactory penetration at 180 deg. F. and 175 lb. pressure has been obtained with a mixture having a specific viscosity of 1.5 Engler.)

3. The percentage each of creosote and petroleum oil in the mixture and the final retention of mixture per cubic foot of timber is a matter best left to the individual railroads or treating companies. In making decision as to this, climate, kind of woods to be treated, method of treatment used, etc., should be considered.

4. Petroleum oil adds to the *mechanical* life of a tie by retarding or preventing checking and splitting of the wood.

5. A creosote-petroleum oil mixture, made up of grades of creosote and petroleum oil as indicated in the above and containing sufficient creosote to prevent decay of the wood, is an economical and satisfactory preservative.

6. The results obtained from zinc chloride-petroleum treated ties show that the addition of petroleum to the zinc chloride treatment will under most conditions add to the service which is obtainable from the use of straight zinc chloride only.

C. M. Taylor (P. & R.) pointed out the fact as illustrated in this report that preservation of timber now has for its object the protection of ties mechanically as well as from decay by giving them greater resistance to shattering.

Track Service Records

The Committee on Track Service Records, of which Z. M. Briggs, assistant engineer maintenance on the Central region of the Pennsylvania System is chairman, presented tabulations showing the number of ties used in renewals per mile of track on 15 roads since they began the extensive use of treated ties, these renewals being summarized as follows:

| AVERAGE ANNUAL CROSS TIE RENEWALS | | | | | | | | | | | | | | | |
|-----------------------------------|------------------|---------|------------|-------------------|------------------|----------------------|------------|-------|----------|-------|------------------|------------------|-------|--------|-------|
| Year | A. T. & S. F. | B. & O. | C. B. & Q. | C. M. & St. P. | C. R. I. & P. | C. C. C. & St. L. | D. L. & W. | I. C. | K. C. S. | M. C. | N. Y. C. East | N. Y. C. West | N. P. | Penna. | U. P. |
| 1901-1905.... | 228 | 222 | ... | 157 | ... | ... | 235 | ... | ... | 210 | 213 | ... | 303 | 252 | 245 |
| 1906-1910.... | 272 | 249 | ... | 158 | ... | 310 | 229 | ... | ... | 168 | 227 | 257 | 293 | 230 | 294 |
| 1911-1915.... | 216 | 254 | ... | 181 | 237 | 307 | 254 | 272 | 357 | 283 | 244 | 273 | 294 | 265 | 227 |
| 1916-1920.... | 160 | 248 | 186 | 200 | 182 | 195 | 156 | 203 | 276 | 210 | 193 | 233 | 246 | 198 | 206 |
| 1921..... | 148 | 229 | 177 | 161 | 169 | 194 | 166 | ... | 311 | 154 | 222 | 196 | 231 | 228 | 184 |
| 1922..... | 158 | 206 | 167 | 188 | 151 | 143 | 137 | ... | ... | 222 | 208 | 196 | 167 | 225 | 203 |

The committee also submitted progress reports of special test tracks on the Chicago, Burlington & Quincy, the Baltimore & Ohio, the Union Pacific and the Chicago, Milwaukee

& St. Paul, the Burlington and the Union Pacific reports being abstracted below:

CHICAGO, BURLINGTON & QUINCY

1,000 ties laid out of face on each of 20 divisions, 1909-10. Result of 1922 inspection—(13 years' service.)

| Treatment | Total placed. Number | Removed to date. Number | Removed account decay. Per cent | Removed for other causes. Per cent |
|--------------------------------|----------------------|-------------------------|---------------------------------|------------------------------------|
| Lines East (moderate rainfall) | | | | |
| Creosote (full-cell—10lb)..... | 2,027 | 140 | 2.8 | 4.1 |
| Zinc—Creosote (card)a..... | 10,259 | 2,003 | 5.9 | 13.6 |
| Zinc chloride (½ lb.)..... | 1,584 | 526 | 19.0 | 14.2 |
| Total treated..... | 13,870 | ... | ... | ... |
| Untreated..... | 2,040 | 1,963 | 88.9 | 7.3 |
| Lines West (light rainfall) | | | | |
| Creosote (full-cell)..... | 1,117 | 107 | 0.7 | 8.8 |
| Zinc—Creosote (card)..... | 4,929 | 1,099 | 5.9 | 16.4 |
| Zinc chloride..... | 842 | 273 | 9.5 | 22.9 |
| Total treated..... | 6,888 | ... | ... | ... |
| Untreated..... | 1,075 | 1,035 | 89.4 | 6.9 |

(a)—½ lb. zinc and 3 lbs. creosote per cu. ft.

UNION PACIFIC

Dodson, Oregon, annual rainfall, 70 in. Douglas Fir ties placed in test track August, 1908.

| Treatment | Total placed. Number | Removed to date. Number | Removed Per cent |
|---|----------------------|-------------------------|------------------|
| Sawed ties, well seasoned; ¼ lb. zinc chloride. Piled with ½-in. strips for 30 days before using..... | 977 | 408 | 42 |
| Sawed ties, not seasoned; ¼ lb. zinc chloride. Shipped as treated..... | 975 | 655 | 67 |
| Hewn ties, well seasoned; ¼ lb. zinc chloride..... | 1,969 | 796 | 40 |
| Sawed ties, 8 lbs. creosote..... | 1,000 | 17 | 2 |
| Sawed ties, Carbolineum open-tank, 150 deg. F. for 30 minutes..... | 300 | 262 | 87 |
| Sawed ties, Spaulding Process (1909)..... | 250 | 222 | 89 |
| Sawed green ties, not treated, from mill direct to track..... | 1,007 | 912 | 91 |
| Sawed ties, well seasoned, untreated..... | 1,006 | 886 | 88 |

Other Reports

The Committee on the Treatment of Ties submitted detailed specifications for treatment by pressure processes, which specifications were adopted by the association. They included, among other requirements, the amount of preservatives to be used as follows:

Creosote:

Full-cell process, not less than 10 lb. per cubic foot of timber.

Empty-cell process, without initial air, not less than 5 lb. per cubic foot of ties.

Empty-cell process, with initial air, not less than 5 lb. per cubic foot of ties.

Zinc Chloride:

Not less than ½ lb. dry salt per cubic foot of ties.

Creosote-Zinc Chloride:

Not less than 2 lb. of oil and ½ of dry salt per cubic foot of ties.

Similar specifications were also presented covering the treatment of timber, which specifications were adopted by the association.

The Committee on Preservatives recommended that the association adopt as standard specifications for grades 2 and 3 creosote for ties and structural timber, which specifications were the same as those adopted for open-tank treatment in 1922. This recommendation was approved by the association. The committee also presented specifications for water-gas tar products for use with zinc chloride and for high boiling oils for brush or spray treatment, which were also adopted.

A paper was presented by J. D. MacLean, engineer in

forest products, Forest Products Laboratory, describing the results of experiments made at the Forest Products Laboratory at Madison, Wis., and at the Union Pacific treating plant

at Laramie, Wyo., to determine the relation of temperature and pressure to the absorption and penetration of zinc chloride solution into wood. These experiments indicated that the use of high temperatures will not only result in better treatment, but will bring about considerable savings in the cost of operation by shortening the time of treatments or by eliminating steaming. However, pressures of about 140 lb. to 150 lb. are apparently the maximum that should be used with a solution temperature of 200 deg. F. in treating timbers of tie size.

A report on steam treatments containing an analysis of the results of a questionnaire showed that preliminary steaming is widely used, especially in the treatment of green or partially green timber. There is, however, no agreement in regard to the most suitable steam pressure to use or in the length of steaming period required for a given class of material. It is not unusual to find different plants treating the same kind of material and yet using widely varying steaming conditions. Doubtless steaming could be omitted in some cases where it is now used without decreasing the effectiveness of the treatment. In other cases, the steaming period may be too long or too short to give the best results.

Reports were also presented on the treatment of poles by pressure and by non-pressure processes; the inspection of the preservative treatment of wood; and the treatment of posts.

At the closing session on Thursday morning the following officers were elected: President, E. J. Stocking, vice-president, Central Creosoting Company, Chicago; first vice-president, S. D. Cooper, assistant manager treating plants, Atchison, Topeka & Santa Fe, Topeka, Kan.; second vice-president, C. F. Ford, superintendent tie and timber department, Chicago, Rock Island & Pacific, Chicago; secretary-treasurer, P. R. Hicks, secretary-manager, service bureau, American Wood Preservers' Association, Chicago; members of executive committee for three years, R. L. Allardyce, general superintendent, International Creosoting & Construction Company, Texarkana, Tex., and H. R. Condon, assistant forester, Pennsylvania, Philadelphia, Pa. Chicago was selected as the location for the next convention.

Annual Meeting of the A. S. C. E.

THE ANNUAL MEETING of the American Society of Civil Engineers was held at New York at the Engineering Societies Building on January 16-18. A number of committee reports which are of interest to railway men were presented either in final form or as progress reports. These included stresses in track, stresses in structural steel, fire prevention of docks, piers and wharfs, concrete and reinforced concrete arches, etc. The following officers were elected for the ensuing year: president, C. E. Grunsky, consulting engineer, San Francisco, Cal.; vice-president, Lincoln Bush, consulting engineer, New York, and Oscar S. Bowen, assistant chief engineer, Great Northern, Seattle, Wash.; Directors, District No. 1, Paul G. Brown, New York, and Thaddeus Merriman, New York; District No. 4, Robert Farnham, engineer of bridges and buildings, Pennsylvania System, Philadelphia, Pa.; District No. 11, Arthur O. Ridgway, chief engineer, Denver & Rio Grande Western, Denver, Colo.; District No. 14, Alexander Maitland, Jr., president, Kansas City Bridge Company, Kansas City, Mo., and District No. 15, J. M. Howe, consulting engineer, Houston, Tex.

The committee on stresses in structural steel during its work conducted an investigation of mill tests numbering 3,503 and requiring the classification of 28,000 characteristics. The results showed that only a negligible proportion of the tests on steel rolled under specifications which limit the ultimate strength to between 55,000 and 65,000 lb. per sq. in.

gave a yield point of less than 30,000 lb. per sq. in. The committee concluded that specifications for material used in structural work should not admit steel showing a mill yield point less than 30,000 lb. per sq. in. This is the present requirement of the A. R. E. A. specifications. It also stated that a revision of the specifications of the American Society for Testing Materials and the Manufacturers' Standard would probably be submitted by committees of those associations requiring the same minimum, thus practically standardizing this type of specification.

The progress report of the committee on stresses in railroad track stated that a large number of tests had been conducted during the past year incorporating some 400,000 observations or readings of stresses. These tests had been conducted on tangent and curved track on the electrified section of the Chicago, Milwaukee & St. Paul and on the Richmond, Fredericksburg & Potomac, the Baltimore & Ohio and the Lehigh Valley. The work on the St. Paul covered a variety of observations on different types of electric power, a steam locomotive (Mikado) and loaded freight cars. Measurements of the lateral movement and tilting of the rail were made. A study of flange position and flange wear was also conducted along a variety of lines among which was included a test with electric power under tractive and regenerative action. The tests undertaken in the east were largely to determine the stresses in rail and their effect on maintenance for vertical and canted rail. Runs at 5 miles per hour and 40 miles per hour were made over tangent and curved track of varying curvature up to 10 deg., on rail of 100-lb. to 136-lb. section. Heavily loaded freight cars were used in the conduct of these tests. It is expected that the data derived during the past year will show some interesting comparisons.

The special committee on fire prevention of docks, piers and wharves submitted in printed form its recommendations and suggestions for changes in the regulations which were tentatively adopted by the National Fire Protection Association in June, 1921.

A. R. E. A. Reports on Steel Bridge Specifications

THE MANNER in which the specifications for steel railway bridges were developed during the last 23 years by the Committee on Iron and Steel Structures of the American Railway Engineering Association and the progress that has been made in securing their adoption by the railroads is told in an interesting manner in Bulletin No. 250 recently issued by the association. The specifications were recently submitted to the American Engineering Standards Committee for consideration as American standards and this information was prepared to serve as a background of supporting data for the consideration of the standards committee. The matter presented not only includes a record of the various stages through which these specifications progressed before they were developed in their present form but it also embraces a table of the entire committee personnel which, during the course of the long existence of the committee, has included many of the foremost railway bridge engineers in America. In addition it presents an historic sketch of the development of American bridge specifications since the genesis of scientific bridge design 100 years ago.

Data on the adoption of the specifications by American railroads were obtained as the result of a questionnaire transmitted to the chief engineering officers of the railroads, which brought replies from 92 roads representing 205,515 miles of line. These replies are summarized in the following table which shows that 26 roads, with a total mileage of

62,075 miles, have adopted the specifications; 36 roads, with 87,156 miles, have incorporated the provisions of the specifications to a greater or less extent in their own; 17 roads, with 21,089 miles, have signified their intention of adopting the specifications; while 13 roads, representing 35,195 miles, have not adopted them. Certain of the latter have cited specific objections as their reasons for not adopting the specifications and summaries of these objections are given below.

The Pennsylvania System objects to the specifications because of the provisions relative to impact and shop practices. The Southern Pacific takes exception to the specifications because they provide for an impact formula whereas the Southern Pacific specifications provide for impact by the use of lower unit stresses for live roads and require

WHAT RAILROADS ARE DOING WITH A. R. E. A. BRIDGE SPECIFICATIONS

Railways That Have Adopted the Specifications in Complete Form

| Name | Mileage |
|---|---------------|
| Ann Arbor | 292 |
| Bosmer & Lake Erie | 217 |
| Buffalo, Rochester & Pittsburgh | 590 |
| Chicago, Indianapolis & Louisville | 654 |
| Cincinnati, Indianapolis & Western | 321 |
| Lehigh & New England | 297 |
| Wheeling & Lake Erie | 512 |
| Atchison, Topeka & Santa Fe | 8,862 |
| Chicago, Burlington & Quincy | 9,389 |
| Chicago & North Western | 8,402 |
| Chicago & Western Indiana | 27 |
| Chicago, Milwaukee & St. Paul | 10,261 |
| Colorado & Southern | 1,099 |
| Denver & Rio Grande Western | 2,604 |
| Duluth, Missabe & Northern | 308 |
| Great Northern | 8,266 |
| Lake Superior & Ishpeming | 164 |
| St. Louis-Southwestern | 1,176 |
| Texas & Pacific | 1,195 |
| Western Pacific | 1,042 |
| Central of Georgia | 1,924 |
| El Paso & Southwestern | 1,140 |
| Florida East Coast | 765 |
| Muscle Shoals, Birmingham & Pensacola | 143 |
| Norfolk Southern | 948 |
| Richmond, Fredericksburg & Potomac | 119 |
| Total 26 roads | 62,075 |

Railways That Have Incorporated the Provisions of the Specifications to a Greater or Less Extent in Their Own

| Name | Mileage |
|--|---------------|
| Baltimore & Ohio | 5,230 |
| Boston & Albany | 394 |
| Boston & Maine | 2,516 |
| Central New England | 296 |
| Central of New Jersey | 683 |
| Delaware & Hudson | 873 |
| Delaware, Lackawanna & Western | 981 |
| Erie | 2,309 |
| Hocking Valley | 350 |
| Lake Erie & Western | 720 |
| Lehigh Valley | 1,335 |
| Long Island | 393 |
| Maine Central | 1,215 |
| New York Central Lines | 11,550 |
| New York, Chicago & St. Louis | 523 |
| New York, New Haven & Hartford | 1,985 |
| Philadelphia & Reading | 1,127 |
| Rutland | 416 |
| Chicago & Eastern Illinois | 945 |
| Chicago, Rock Island & Pacific | 8,123 |
| Elgin, Joliet & Eastern | 459 |
| Fort Worth & Denver City | 454 |
| Illinois Central | 4,799 |
| Kansas City Southern | 836 |
| Mississippi River & Bonne Terre | 64 |
| Missouri-Kansas-Texas | 3,409 |
| Missouri Pacific | 7,343 |
| Nevada, California & Oregon | 141 |
| St. Louis-San Francisco | 4,769 |
| Spokane, Portland & Seattle | 890 |
| Union Pacific | 9,443 |
| Atlantic Coast Line | 4,597 |
| Louisville & Nashville | 5,038 |
| Mobile & Ohio | 1,161 |
| Nashville, Chattanooga & St. Louis | 1,259 |
| Virginian | 526 |
| Total 36 roads | 87,156 |

Railways That Have Signified Their Intention of Adopting the Specifications

| Name | Mileage |
|--|---------------|
| Pere Marquette | 2,239 |
| Chicago, Great Western | 1,496 |
| Chicago, St. Paul, Minneapolis & Omaha | 1,749 |
| Duluth & Iron Range | 194 |
| Fort Smith & Western | 250 |
| Kansas City Terminal | 27 |
| Kansas, Oklahoma & Gulf | 330 |
| Midland Valley | 388 |
| Minneapolis & St. Louis | 1,650 |
| Northern Pacific | 6,656 |
| Atlanta, Birmingham & Atlantic | 638 |
| Gulf & Ship Island | 306 |
| Gulf Coast Lines | 1,173 |
| International-Great Northern | 1,160 |
| Louisiana & Arkansas | 302 |
| Norfolk & Western | 2,238 |
| Tennessee Central | 293 |
| Total 17 roads | 21,089 |

Railways That Have Not Adopted the Specifications

| Name | Mileage |
|------------------------------------|---------------|
| Bangor & Aroostook | 626 |
| Buffalo & Susquehanna | 297 |
| Pennsylvania System | 10,531 |
| Union Railroad of Pittsburgh | 46 |
| Green Bay & Western | 323 |
| Northwestern Pacific | 508 |
| Southern Pacific | 7,118 |
| Chesapeake & Ohio | 2,558 |
| New Orleans Great Northern | 275 |
| San Antonio & Aransas Pass | 737 |
| Seaboard Air Line | 3,563 |
| Southern | 8,310 |
| Trinity & Brazos Valley | 303 |
| Total 13 roads | 35,195 |

heavier sections where there is a reversal of stress, with the provision that counter systems shall be designed to take care of a moving load 80 per cent greater than that specified, with an allowance of an 80 per cent increase in unit stresses wherever such increase would cause heavier dimensioning or require additional counters. The San Antonio & Aransas Pass objects to the provision for a 16-ft. clear roadway in place of the 14-ft. roadway provided in earlier specifications. The Seaboard Air Line objects to the requirement of the Cooper's E-60 loading and to certain other refinements which it considers unnecessary. The Southern takes exception to certain provisions, including those of clearance, live load, size, spacing and lapping of ties, reamed work and punch work.

According to the historical sketch, the work on these specifications was taken up by the committee in 1902 and the first draft was submitted to the association in 1903, but it was not until 1906 that a complete set of general specifications covering design, loading, unit stresses, details of design, workmanship and inspection were adopted by the association. Extensive revisions were undertaken in 1909 and revised specifications were adopted in 1910. A complete revision was undertaken in 1918, of which a first draft was submitted in 1919, and this after further revision was resubmitted to the members in 1920, when it was adopted.

THE WHOLE THEORY OF BENEFITS to accrue from consolidations rests upon the unsupported assumption that economies will be effected through a possible reduction in administrative forces, and that a great corporation is always managed more carefully than a small one. This is not always so, says F. H. Alfred, president of the Pere Marquette. The Pere Marquette usually shows a lower operating cost than the Pennsylvania and other great lines. "Railroad grouping after all, as a plan, is a gift horse from the self-seeking politician. There is an adage that no man ought to look the given horse in the mouth; but this is the very thing we should do, else, like the Trojan horse, it may prove to be loaded with possibilities for our own destruction."

Declarations of the Transportation Conference

Principles to Insure Balanced Development of All Methods of Transportation

WASHINGTON, D. C.

A SERIES OF DECLARATIONS emphasizing the need for the adequate development and co-ordination of the national transportation systems and urging that no change be made in any important provision of the Transportation Act until it has had a fair trial, was adopted by the National Transportation Conference, called by President Barnes of the United States Chamber of Commerce, at the close of a two-day session in Washington on January 10, after a detailed discussion based on the reports of the six special committees previously appointed, whose conclusions were reported in the *Railway Age* of November 24. The conference was attended by approximately 100 representatives of transportation, industrial, labor and agricultural interests from all parts of the country. The opening session of the conference on January 9 was reported in last week's issue. Following the opening speeches there was a discussion of each of the reports, during which various additions or modifications of the conclusions expressed by the committees were proposed and referred to a resolutions committee, and at a late session on January 10 the committee reported the series of declarations which, after some slight modifications, were adopted in the following form:

Introductory Declaration

The transportation shortage in the year 1922 emphasized in the minds of all classes of the American people the need for the adequate development and practical co-ordination of the national transportation systems—rail, water and highway—to keep pace with the ever expanding commerce of the nation.

The Transportation Conference, composed of representatives from commerce, industry, mining, agriculture, labor, finance and transportation, was created to determine the essential facts and to formulate principles and policies calculated to insure the balanced development of all methods of transportation in the public interest.

During the past eight months, six widely representative committees have studied and considered the several phases of the transportation problem and embodied their conclusions and recommendations in reports submitted to the conference. With the benefit of these reports the conference has considered different phases of the problem before it; particularly has it devoted much time and thought to a consideration of the Transportation Act of 1920, which announces a new national transportation policy in frankly recognizing the right of the government to regulate carriers in the public interest with the correlative duty on the part of the government through affirmative action to place transportation agencies in a position where they can fully discharge the duties they owe to the general public, to their employees and to their security holders. It is the conclusion of the conference that this new national transportation policy is constructive and sound. The validity of the provisions of the Transportation Act of 1920 designed to carry this policy into effect has three times been challenged and as often sustained and approved by the Supreme Court of the United States. The remarkable results achieved during the year 1923, in the improvement of railway service and the handling of an unparalleled tonnage virtually without car shortage, is a practical demonstration of the soundness of its provisions. The conference feels justified in viewing the essential features of the act as declaratory of a permanent national transportation policy in the general public interest,

although experience and friendly and constructive criticism may point the way to perfecting some of its provisions.

It is recognized that the depressed condition of certain branches of our greatest national industry—that of agriculture and the production of live stock—with the resultant decrease in the buying power of this large group of producers, is a matter of national concern and demands prompt investigation and practical measures of relief through the appropriate public agencies.

In such consideration the readjustment of freight rates by the Interstate Commerce Commission, as explained in Division III of our reports will play its part.

With a full sense of the vital importance to the whole American people of an adequate and rationally co-ordinated national transportation system, the conference submits the following expressions of its findings and conclusions:

Declaration No. 1—In the Matter of Governmental Relations to Railroad Transportation

1. The public interest requires that American railroads be privately owned and operated under a comprehensive system of government regulation.

2. Such regulation should be accomplished through properly constituted administrative agencies both state and federal, rather than through inelastic legislation dealing with rates, or other specific problems of railroad operation and management. The growing co-operation between state and federal commissions gives promise of the co-ordination of the activities of each in their respective jurisdictions in such a manner as to protect the public interest, preserve the advantages of competition in service under fair conditions, give a fair return to capital and fair wages to employees, all without unnecessarily hampering individual initiative on the part of railroad management.

3. To provide for the necessary improvement and expansion of the railroad system of the United States constitutes the chief problem to be met in considering governmental relations to railroad transportation.

4. To further the establishment of the basis of credit essential to railway development the rule of rate making in Section 15a of the Transportation Act is sound in principle and formulated along practical lines. It is not a guarantee or a cost-plus arrangement. Whether the present authorized rate of return of $5\frac{3}{4}$ per cent is adequate to restore credit can be determined only by further experience. The present practice of issuing a disproportionate amount of bonds to capital stock to finance extensions and betterments can be corrected only under a condition of adequate earnings and public confidence in the continuation of a sound rate policy. The recapture provision sustained and approved by the Supreme Court of the United States within the last few days is an essential part of a constructive policy in the public interest and fair to the carriers while denying them excessive profits.

5. The valuation of railroads by the Interstate Commerce Commission should be speedily completed, it being essential to the successful regulation of railroad rates and the supervision of railroad consolidations.

6. In the effectuation of an efficient national transportation system, it is fundamental in the interest of economy of operation and development that the principles of co-ordinated and connected terminals, especially in congested centers, and their joint use by carriers on terms prescribed by the Inter-

state Commerce Commission, making all routes available to shippers on equal terms, should be applied as rapidly as practicable.

7. The Interstate Commerce Commission should retain its control over railroad rates. Its power of suspension promotes stability. Its power to correct discriminatory intrastate rates gives it the undivided responsibility which is desirable. The growing co-operation between it and state commissions gives promise of ever increasing co-ordination of the functions of each in their respective jurisdictions in the public interest.

8. The administrative duties now assigned to the Interstate Commerce Commission should not at present be transferred to any other department or bureau but every facility should be given to enable the commission to render its service of maximum effectiveness through decentralized organization or otherwise.

9. The conference recognizes the paramount importance of the problem of labor relations between carriers and their employees, not only as affecting the parties immediately concerned, but the general public. The conference expresses the hope that conferences may be arranged between the carriers and their employees looking to the development of a constructive plan for perfecting the existing machinery for dealing with these problems.

10. No change should be made in any important provision of the Transportation Act until it has had a fair trial, which as yet it has not had.

Declaration No. 2—Railroad Consolidations

1. Every facility should be afforded the Interstate Commerce Commission to report its complete plan of consolidation.

2. A systematic grouping of the railroads will develop more uniformly strong and stable systems, assure adequate and efficient service at reasonable rates, simplify rate regulation, permit economies in construction, maintenance and operation, and improve car service, while at the same time preserving interline competition among systems of relatively equal strength.

3. Mere size does not present management problems which cannot be effectively met through organization and administrative methods.

4. Consolidation can and will occur without injustice to either strong or weak roads if they are brought together on a fair basis of value with due consideration of demonstrated earning capacities, property values and special conditions surrounding individual properties.

5. The statutory principles of rate making, as contained in Section 15A of the Transportation Act of 1920, will greatly facilitate consolidation, and the public interest will be further protected through the limitation on capitalization.

6. Consolidations should be in harmony with natural evolution in the grouping of railroads, and full opportunity should be given the carriers to consolidate by voluntary action, subject to the approval of the Interstate Commerce Commission, before measures are considered looking to compulsory consolidation.

7. No changes, at the present time, are recommended in the consolidation provisions of the Transportation Act, except such as are supplemental thereto and may be found necessary to facilitate consolidations and to enable the consolidated companies by voluntary action to incorporate under federal law.

Declaration No. 3—Readjustment of Relative Freight Rate Schedules

1. Railroad rates in the United States are not, as a whole, unreasonably high, either as compared with pre-war rates in relation to general price levels or as compared with foreign rates, and yield a return considerably below that which the

Interstate Commerce Commission has determined as fair. They do not as a whole hinder the processes of production or distribution. The present problem is one of a better adjustment of relative rates—not a general reduction of all rates. Great economic changes incident to and resulting from the war, have added to previous disparities, which render a readjustment of relative freight rates of great importance.

2. A survey of class rates discloses a great lack of uniformity, either as to classes, products or regions. Some unreasonable disparities exist. Revisions of class rates in three important sections of the country are now in progress. In the readjustment of freight rates, consideration must be given to basic principles of rate making and to the particular conditions affecting each type of business, notably less-than-carload and light-and-bulky traffic as contrasted with heavy loading articles. A readjustment of class rates, where such revision has not already been made (including less-than-carload rates) should result in a measurable increase in total revenue, limited chiefly by reason of the relatively small volume of business concerned. Such proceeds should be applied to the reduction of commodity rates wherever justifiable.

3. A serious railway rate problem has arisen from the recent rapid growth of inter-coastal traffic through the Panama canal resulting from the prevailing low ocean tonnage rates, as a result of which the transcontinental railroads are seriously feeling the inroads of canal competition. These railroads should be allowed to readjust their rates to meet that competition, but without unjust discrimination against the intermediate sections of the country. Furthermore, the railway carriers are entitled to know what competition they have to meet in this coastwise trade, which is restricted to American bottoms, and the vessel lines concerned should be required to file their specific rates with the Interstate Commerce Commission.

4. The technical, as well as the delicate, nature of the questions involved in rate adjustments, is apparent. Through the interchange of views between carriers and shippers coupled with investigations by the Interstate Commerce Commission, some progress toward the correction of the inequalities and disparities mentioned is being made. While these are the only methods that will produce sound results without unsettling business conditions during the process, there is urgent need for extensive adjustment of this character. The public interest demands that this task should be discharged by existing agencies in pursuance of established methods, but that it should be prosecuted with the greatest possible dispatch.

Declaration No. 4—Relation of Highways and Motor Transport to Other Transportation Agencies

1. The motor vehicle has proved its unquestionable value in our economic system, having greatly extended the farmer's field of operation, brought much additional land under cultivation and new sources of raw materials within economic reach of markets, quickened the industrial life and facilitated the processes of distribution.

2. The congestion of transportation today centers around the terminal areas of our great cities, where the railroads find the greatest difficulty in keeping pace with the public need, although their main tracks have sufficient capacity for the movement of more freight than is offered to them.

3. In spite of the foregoing fact, the railroads are constantly faced with a demand for more and better terminal facilities in the face of prohibitive real estate values and other stupendous obstacles to expansion.

4. The best interests of the public and of all transportation agencies lie in co-operation, and the greatest opportunity for this co-operation is in the terminal areas.

5. Store-door delivery by motor truck is the greatest

contribution which can be made to the solution of the terminal problem.

6. Organized motor transport can also relieve the railroads of various forms of uneconomical service, such as trap-car service, switching between local stations and short-haul shipments within the terminal area. This will reduce yard congestion and release many cars for more profitable line haul.

7. To secure the fullest benefits from this organized motor transport, will require the utilization and further development of modern mechanical equipment.

8. Outside of the terminal area it is to the public interest, as well as to the interest of the respective carriers, that the economic limitations of each type of carrier be recognized, that the railroads be permitted to discontinue unprofitable service to which the motor is better suited, and that the motor abandon its efforts to handle general traffic over uneconomic distances. Unprofitable steam railroad service can in some cases be successfully replaced by the use of self-propelled railroad motor cars.

9. Mail lines can often advantageously extend or supplement their service by motor bus and motor truck lines, and in states where this is now prohibited such restrictions should in the public interest be abolished.

10. To insure to the public reliability of service in all forms of motor transportation, sound financial organization, public regulation and continuous service are necessary.

11. The proper regulation of common carrier operations of motor vehicles, including the rates, should be handled by the existing authorities which now control the operations of other public carriers. It is believed to be to the best interests of all concerned that proper regulations of traffic, and of size, weight and speed of motor vehicles by states and municipalities should be made uniform.

12. Trunk highways should be capable of carrying any vehicular traffic that is economically justified and should be constructed with particular attention to the proper design of well co-ordinated highway systems.

13. Investigations now under way by the United States Bureau of Public Roads, state highway departments and other agencies to determine more fully the economic role of the motor vehicle should be vigorously prosecuted.

Declaration No. 5—Development of Waterways and Co-ordination of Rail and Waterway Service

1. With a view to affording the cheapest and most effective transportation possible and to safeguarding more fully against a shortage of transportation in regions where the rapid growth of industry and commerce threatens to surpass the expansion of facilities a sound national program of waterway development should be determined and actively prosecuted. To this end, without delaying progress of work on existing projects or interfering with international negotiations to render possible the St. Lawrence waterway and power development, a national survey should be made by the Army engineers in consultation with the Department of Commerce and other public and private agencies as to the engineering, commercial and economic phases. This survey should include a schedule of priorities to insure prompt completion of practical waterway units in such order as will best augment the national transportation system.

2. To determine more fully the possibilities of inland waterway transport, the Secretary of War should be given the necessary authority and funds to operate the barge lines on the Mississippi and Warrior Rivers in accordance with good commercial practice.

3. Through rail-and-water and water-and-rail routes and rates with equitable divisions of the rates between the two types of carriers, should be established wherever economically warranted and in the public interest.

4. The nation, states, municipalities and commercial or-

ganizations should, by appropriate measures within their respective fields, promote the establishment and maintenance of services on inland waterways, wherever such services are economically desirable and in the public interest.

Declaration No. 6—Taxation

of Transportation Agencies

1. Each form of transportation should bear its fair share of the burden of public expenditure.

2. Taxation of common-carrier transportation agencies should be simplified as far as possible.

3. Taxes on regulated common carriers operated for hire should bear a definite relation to gross and net earnings rather than to invested capital.

4. This requirement can best be met in the case of steam and electric rail common carriers by the imposition of a tax on gross earnings together with a graduated tax on net earnings, in lieu of the present systems of taxation. Pending full regulation of the motor common carrier, such increases should be made in taxes now levied against it as will bring them to an amount equitably proportionate to that which may be assessed against the other carriers.

5. The entire cost of maintaining the improved highways of the country should be borne from special taxes levied against the road user. Such taxes should be used for no other purpose.

6. Co-ordination of highway construction and maintenance under centralized administrative agencies is urged to eliminate waste and secure efficiency.

Resolutions Committee

The resolutions committee was composed of the following: Judge Edwin B. Parker, chairman and umpire, Mixed Claims Commission United States and Germany; Thomas C. Akeson, National Grange; Frederic A. Delano, former member Federal Reserve Board; F. H. Dixon, Princeton University; W. N. Doak, vice-president, Brotherhood of Railroad Trainmen; Carl R. Gray, president, Union Pacific; Dwight B. Heard, president, Dwight B. Heard Investment Company; P. W. Henry, American Institute Consulting Engineers; R. P. Lamont, president, American Steel Foundries; E. H. Outerbridge, chairman, Port of New York Authority; A. C. Pearson, vice-president, United Publishers' Corporation; George A. Post, president, George A. Post Company, Inc.; Gray Silver, representative American Farm Bureau Federation; Andrew Stevenson, Inland Fuel Company; Alfred H. Swayne, vice-president, General Motors Corporation.

The declarations as reported by the resolutions committee were adopted with very little discussion and almost unanimously in most cases, although Charles Rippin, president of the National Industrial Traffic League, registered a negative vote as to several on the ground that they were in conflict with the position on which the league had gone on record.

Discussion

Proposals that railroad employees and railroad managers confer for the purpose of arriving at some plan for the adjustment of labor difficulties which might serve as a substitute for the present Railroad Labor Board were made by representatives of various interests. Spokesmen for the railroad brotherhoods announced that they would offer a substitute plan for the Railroad Labor Board which would be submitted to Congress for consideration. The solution of the railroad labor problem by a conference between the groups of railroad managers and railroad employees was suggested by Secretary Hoover, who called attention to the suggestion made by President Coolidge that some agreement be reached as a basis for the amendment for the present act.

The same subject was taken up by Henry Bruere, fourth vice-president of the Metropolitan Life Insurance Company,

who proposed that the railroad managers and their employees hold a conference to establish some plan of co-operation. He asked whether it would be appropriate for the committee to add a suggestion that the management of the railways and their various groups of employees early confer in some appropriate way, regarding a general plan of co-operation between the companies and employees, in their mutual interest and in the interest of the public; and that such conference also address itself to the establishment of methods including the necessary public machinery for maintaining such co-operative relations.

W. N. Doak, vice-president of the Brotherhood of Railroad Trainmen, said that he could not subscribe to the language of the committee report, which advocated the retention of the Railroad Labor Board until something better had been devised to take its place.

"Railroad labor," said Mr. Doak, "is without exception opposed to the continuation of Title III of the Transportation Act. They have various and sundry reasons for it. When the statute was enacted, we believed that probably some good results would come from it, but instead there have been more strikes and dissatisfaction on the railroads than there ever has been at any one time at any similar period in the history of this country, and it is all due, we believe, or due largely to the fact that instead of having the employer and employee together you are driving them further apart by having this agency.

"We have tried to get together on a program and we have tried also, I will say frankly—the various railroad labor organizations have tried—to have a conference called something similar to what has been referred to here this morning, and so far we have not accomplished anything along that line. However, the organizations have virtually agreed on a proposed amendment which we believe will more adequately take care of not only the railroads' interests and the employees' interests but the public's interests as well, and we think that it would be well, if instead of letting this report go out from this conference as it is, to attempt at least to do something along the line suggested by the President of the United States in his message to Congress and referred to by the Secretary of Commerce here this morning. There is not a railroad executive in this house but what Mr. Sheppard and myself can get along with, and we can sit down and work out a more equitable proposition if we are permitted to do so, than in our opinion can be worked out otherwise, and so far as that is concerned, to go just to the very extreme on it, we would be much better satisfied with such men as Mr. Gray, Mr. Willard and Mr. Cole here, if they were settling these questions for us, instead of having the United States Railroad Labor Board to pass on them as at present.

Charles Ripplin, president of the National Industrial Traffic League, advocated on behalf of his organization the repeal of the Labor Board provision of the Transportation Act. "In the first place," he said, "the board as constituted under the law is not a disinterested tribunal. The presence of the partisan representatives upon an administrative or judicial board has a tendency to destroy its usefulness as a tribunal. We believe that private industry will be better off without the Railroad Labor Board. The artificial scales maintained by the national body for railroad labor operate to create unrest in labor conditions affecting private industry. The great inequality between common railroad labor and farm labor thus continued by the Labor Board, in defiance of the laws of supply and demand, has been one of the greatest factors in creating the serious crisis facing the farmers of the country. The farmers and the public pay these bills and certainly the government should have no part in the continuance of these conditions."

Dr. Emory R. Johnson, dean of the Wharton School of Finance, also expressed the opinion that a better plan could be evolved. "I have never," he said, "been content with the

tri-partite organization of the Labor Board. I have reached that conclusion as the result of some experience, not only as a theoretical study, and I am inclined to think that the effect of the present board is to minimize the settlement of disputes directly by negotiation between representatives of the carriers and the employees—I mean disputes as to wages, not as to working conditions—and I sincerely hope that the resolution committee will have put before it other plans than the present Railway Labor Board plan, and that out of this conference may come either one of two things: Either a recommendation for a conference such as Mr. Hoover suggested, or a definite recommendation for a different organization of the Railway Labor Board."

Regulation

Hale Holden, president of the Chicago, Burlington & Quincy, urged the conference to make an emphatic declaration against the practice of regulating railroads by legislation rather than by administrative agencies. "We have in Congress and elsewhere," he said, "an intemperance of attitude toward the very agency that was created in 1887, and which today, after the period of time that has elapsed since then, has become the only, or, at least, the most scientific student of the subject of railroad regulation; has collected the greatest volume of statistical matter and of experience on the subject, and because, in a word, there are some subjects relating to the present impatient situation that the Interstate Commerce Commission is not willing to radically revise and turn away from, we have this impatience of attitude, which is now being made evident by direct legislation which is being introduced in Congress.

"As a striking illustration, if you like, I think there are 20 bills now pending in Congress to remove the Pullman surcharge. I am not arguing the merits of the Pullman surcharge. It would seem to the patient minded individual that the place to determine whether that is an unrighteous charge or not is before the commission.

"It is rather appalling to the railroad manager and operator to find that, not only what might be called radical-minded people are urging action of that kind—and again, I only call that to your attention as an illustration—but some sober-minded people, gentlemen of the broadest legislative experience in Congress, themselves are introducing measures of that type, and this particular measure.

"If we are to revert back to the days of the Granger cases, when the Western legislatures made direct freight rates, then this conference is futile, and the transportation system of this country will not longer grow, and private operation of railroads cannot endure. I beg of you gentlemen to give the greatest consideration, to check with all of the influence that this conference has, this tendency to regulate these railroads from the halls of Congress. The place to regulate them is before the Interstate Commerce Commission."

Consolidation

A. W. Smith, special counsel for the Director General of Railroads, offered a resolution reaffirming the importance of Section 15A of the Transportation Act as the basis of the present transportation system. "While the Transportation Act," he said, "provides for the consolidation of railroads into several large systems, the operation of Section 15A is to consolidate all the railroads in any rate district, so far as the readjustment of rates for transportation in that district is concerned."

Carl R. Gray, president of the Union Pacific, presented the report of the Committee on Railroad Consolidation. "Railroad Consolidation," said Mr. Gray, "has progressed, or did progress, until it became so restricted by legislation that it became impossible. The committee, while having a variety of opinion, as is natural, with respect to the method which would best facilitate railroad consolidation, felt that

the inclination and education of the Interstate Commerce Commission, which has been going on for a period of time, and which is now being brought to its conclusion, was something which would produce in their minds, at least, some constructive suggestion about a change which would expedite or render more easy the process of consolidation."

E. H. Outerbridge, chairman of the Port Authority of New York, presented a resolution urging terminal reorganization and co-ordination in all large centers.

Apprehension of the western and southwestern sections of the country over the effects of railroad consolidation was voiced by Dwight B. Heard, of Phoenix, Arizona, who called the attention of the conference to the fact that further railroad development was needed in the western states to bring them more closely into touch with tidewater.

Representative Winslow, chairman of the House Committee on Interstate and Foreign Commerce, asked whether in the judgment of the members any voluntary consolidations which might otherwise have been undertaken have been held back by virtue of the consideration of the tentative plan by the Interstate Commerce Commission. Mr. Gray said that individual members of the committee had been advised that there were several such consolidations which the constituent companies sought but were held up by the rigidity of the provision for the plan of consolidation. "There is a possibility of our having to consider a bill to deal with this matter," said Mr. Winslow. "Do you think if it were not for the existence of a demand for a tentative plan there would be any more consolidations under way forthwith?" Mr. Gray expressed the opinion that consolidation would be advanced if there were no plan.

Hale Holden, president of the Chicago, Burlington & Quincy, pointed out that in the western territory there are state laws, and to some extent state constitutional provisions that are a positive inhibition against progress in consolidations in that territory. Until the Supreme Court has upheld the consolidation provisions and language of the present law little progress can be made in consolidations where these state restrictions are pertinent, he said.

Samuel Rea, president of the Pennsylvania, laid stress upon the importance of the Transportation Conference, declaring it to be "the first instance in my experience of many years in the railroad profession when all interests were gathered together in a friendly way to take up one of the greatest questions before us."

President Rea cast doubt upon the practicability of compulsory consolidation. "I do not believe," he said, "that these railroads can be allocated on paper by the Interstate Commerce Commission or any other body of selected men in this country, and bring about a satisfactory solution. Personally, I would prefer not to see any promulgated plan; because, after all, it must only be a paper plan; and if permissive consolidation will come, as I believe it will, that plan, if promulgated, would hang over the country and, in my judgment, would interfere with permissive consolidation. Because, notwithstanding the fact that the commission would, of course, have the power to modify when a plan of consolidation was brought before it, you would have all of the interested communities and others who would be affected by the change referring constantly to this plan. However, unless there are changes made when the plan is promulgated a year hence—I do not suppose we can get it out before then—something may occur that will permit permissive consolidation otherwise than as now provided by the Transportation Act."

Rate Adjustments

Objection to the general recasting of rates, especially water rates to meet the water competition of the Panama canal, was made by W. I. Drummond, chairman of the Board of Governors of the International Farm Congress, Kansas City.

"The report of the committee," he said, "seems to lean to a further reduction of transcontinental rates on account of water competition through the Panama canal. How are you going to reduce the rate without raising it on somebody else? We are suspicious. In regard to placing coastal carriers under the Interstate Commerce Commission, it seems to me that it would be a pretty good thing. We believe that the railroads are entitled to have any competition placed under the same authority that they themselves are under. I am speaking from the farmers' standpoint."

Fears that freight rate adjustments recommended by the committee might have a disturbing effect were expressed by the spokesman for the National Industrial Traffic League. President Holden of the Burlington offered a resolution recommending that the rate readjustments now in progress by the Interstate Commerce Commission be continued without resort to other methods which might unsettle business.

Store-Door Delivery

More than \$1,000,000,000 can be saved to the railroads and merchants of the country in the next five years through the transference of freight terminals from congested city areas to "green lands" and the use of organized motor trucking service, according to Alfred H. Swayne of New York, chairman of the special committee on "Highways and Motor Transport." Explaining that he had arrived at his conclusion as the result of a comprehensive study made in conjunction with the members of his committee, Mr. Swayne said:

"Conditions such as those which existed in 1919 and 1920, when inadequate transportation frequently resulted in a shortage of raw materials which forced the closing down of factories and seriously retarded the whole flow of merchandise, point the vital need for co-ordinated transportation.

"The great opportunity for co-operation between the various forms of transportation, our committee found, is at the points where the capacity of the railroads is most limited and expansion is most difficult and costly; that is in the terminal areas of our great cities.

"Store-door delivery by motor trucks which would afford the shipper an expedited completed delivery of the commodities which he sells or buys, is undoubtedly the greatest contribution which can be made to the solution of the terminal problem. Fortunately the improvement is one which, while it will literally save hundreds of millions of dollars, does not require relatively large expenditures, but simply in large part, a new application of existing facilities.

"Our present system of railroad transportation was built up in the days when the limitations of a now antiquated form of highway transport were such as to force an intensive development of productive industry within a sharply restricted zone adjacent to railroad facilities. In consequence as business increased, the railroads were forced to large expenditures in terminals. Out of this concentration came a slowing down of the whole transportation movement until today L. F. Loree estimates that the average trip of a freight car occupies 14.9 days of which time the car is actually moving or delayed on the road in line haul only 1.64 days. The rest of the time is spent within the terminal areas.

"The introduction of a new and flexible means of highway transport in the form of the motor truck provides us with an instrument for the sure cure of this deadening growth. Ten miles mean scarcely more to the truck than one did to the horse-drawn vehicle and in consequence a diffusion of our industries is made possible which can be followed in turn by a transference of freight terminals from the heart of congested cities to outlying lands.

"The implications of this change are far-reaching. Enormous sums can be saved out of the present appropriations for the purchase and improvement of expensive real estate, the overhead can be cut down and the handling of freight accelerated. Thousands of freight cars now lost in the intri-

cate maze of trap car, intraterminal and similar movements can be released for the profitable long haul rail movement and as this transfer is effected, the vast sums now necessary for additional equipment will be cut down.

"From the standpoint of the shipper, the expedited delivery means at once that it will not be necessary longer for the merchant to carry the present excessive inventories which he must have on his shelf in order to assure him of a continuous stock for his daily needs. The interest on inventories in transit, which now amounts to staggering figures, will be sharply diminished. The movement from railroad platform to shipper or consumer's gate will be materially quickened. Few realize the cost of the delays consequent upon the present approach to terminals through the most congested lanes of city travel; few realize the possibilities of reduced cost of travel of all kinds on city streets which will be effected through the by-passing of the freight movement.

"Of course, it cannot be expected that the railroads will be able to give this door-to-door service at the present station-to-station cost. There will have to be a charge added for the collection and delivery service, but this is already paid for by the shipper, and this is possible of reduction through the indirect and very large savings in time, interest, labor and similar factors."

In presenting the conclusions of his committee, Mr. Swayne spoke also for proper regulation of both the business and the physical operation of motor transport, advocated highways suitable for an economic handling of traffic and called attention to the need for continued research to disclose more fully than is at present known, the economic field of the motor.

Mr. Swayne said that store-door freight service would be put into service in several cities in the United States within the year, and that members of his committee, in co-operation with the Department of Commerce, already had under way plans for experimental services.

The progress already made by the Pennsylvania System in supplementing railroad service by the establishment of motor transport lines was explained by Robert C. Wright, general traffic manager of the Pennsylvania System. The experiment was first made with short haul traffic, he said, and it was found possible and practicable to abandon a number of trains used in hauling suburban freight by turning the traffic over to motor trucks maintaining a regular service. The Pennsylvania, Mr. Wright continued, is now making a study of the use of the motor truck for the transfer of freight within the terminal area and for door-to-door delivery. Plans to this end will shortly be put into effect to determine the feasibility of projects of this kind. Mr. Wright expressed the belief that the Pennsylvania System, by using motor trucks for the distribution of freight from more than 20 terminals in the city of Philadelphia, could release for line service 500 cars used daily for this purpose.

"Having reached the conclusion that the motor truck constituted a real economic transportation factor in its own field," he said, "and that that field has not been confined, nor can it be until the motor truck assumes the responsibilities that go with its privileges (that is a matter that the railroad is not dealing with directly but leaving it to the commissions and courts and public opinion); but having come to the conclusion that the motor truck furnished a real economic factor, the railroad's problem was how it could be utilized in connection with its service, and how that plan could be worked out so that some experimentation might be had without waiting to do things in so big a way that it would mean long delay, our company tried to resolve it into some simple plan that we could experiment with, and we divided the utilization of the motor truck into three general lines. First, its use in connection with short hauls, L.C.L. traffic; second, the motorization of our terminals; and, third, the door-to-door delivery service. The easiest

one to try, because it required less setting and less expense for the machinery, was the short-haul traffic. The short-haul traffic from the large cities to the suburban territory was particularly unremunerative when about two-thirds of it was handled by truck and the railroad was required to maintain its full service for what was offered on rainy days or Wednesdays, or some day when the motor truck did not want to operate. So we directed our experiments along that line, and at several places we abandoned our peddling freight train; that is, the freight train that stopped at every station and unloaded freight. We gave it up. In place of it we loaded a certain zone car to four stations west-bound and four stations east-bound, and from those four zone stations we distributed through a contract with the motor truck company. So far that has been an experiment, but we have found the cost of the motor truck is less than the cost of the train, to say nothing of the saving indirectly.

"That is a sample of what we are doing, and so far we are gratified with the results of the experiment. We believe we can displace the local freight trains at congested districts on our road by contractual relations with motor truck companies. In that way we are only paying for the freight we get and not keeping up the whole organization as we had to do before we tried this motor truck service.

"The second thing is the motorization of terminals. We have not been able to start that yet, but we have done a great deal of work in figuring out what is necessary. Our idea is, for instance, to start at Philadelphia, where we have some forty-odd L.C.L. stations, and instead of moving the L.C.L. freight around the city in cars, to establish one large station on the outskirts, readily accessible to the main line, so that there will be the minimum delay in receiving and in delivery, the least possible delay in dispatching cars. In that way we will do all our loading at one point and all our unloading at one point, and relieve our terminals of the movement of about 500 cars a day which are now used in moving L.C.L. freight, and we will in that way make the terminal tracks more available for other purposes."

J. J. Wait, of the Sprague, Warner & Co., Chicago, was doubtful whether store-door delivery service would relieve traffic congestion in city streets. The further use of motor trucks, he said, would so jam the streets that they would be virtually impassable.

Mr. Swayne replied that the answer was to be found in the fact that store-door delivery would be so well organized that congestion would actually be relieved. At present, he said, streets leading to terminal stations are burdened with innumerable trucks and wagons containing only partial loads, whereas under the system proposed trucks would be fully loaded and would be operated on a time schedule. Most of the store-door delivery, said A. J. Brosseau, president of the International Motors Company of New York, could be done at night, relieving day-time congestion.

L. W. Childress, president of the Columbia Terminals Company, St. Louis, said that an optional store-door service would materially relieve, if not entirely eliminate, the present congestion of freight houses and public delivery tracks. The practice of the carriers in handling less-than-carload interchange of freight by car should be prohibited, he said, even though its prohibition would involve a moderate increase in the cost of service.

W. H. Chandler, of the Boston Chamber of Commerce, raised the question whether store-door delivery, if instituted, should be established by the carriers or by independent agencies. The responsibility, he said, appeared to be upon the railroads, and he doubted if the system ever would be installed if the duty were placed on the shippers.

W. H. Lyford, vice-president of the Chicago & Eastern Illinois, replied that the establishment of motor trucking systems was not the duty of the railroads, and that experience showed that the roads had not been successful when

attempting to operate outside activities. Railroad men, he said, believe that the roads should keep out of the delivery business. Store-door delivery and collection, Mr. Lyford declared, might be conducted by a nation-wide organization similar to that of the press organizations. The express business, he said, is growing much faster than the less-than-carload freight business, because of the advantage to the shipper in delivering his business to one organization and looking to that organization to deliver it. Mr. Swayne said that the majority of the members of his committee did not believe that a nation-wide organization would be possible, at least at first.

Thomas H. MacDonald, chief of the Federal Bureau of Roads, expressed the opinion that motor transport was probably paying at the present time its fair share of taxes. "I

am not sure," he said, "that there may not be a tendency to go too far in the imposition of taxes on transportation in lieu of other taxes. The imposition of a two cent gas tax, at least in certain cases, imposes a larger tax than we have imposed on the movement of freight on the railroads. Thirty-six states have passed the gas tax varying from one cent to four cents. So we are obtaining a much larger increase for the maintenance and improvement of highways from this source than we did in 1921. In other words, the traffic is increasing on the highways to such an extent that we are obtaining a real operating income from that source; but it is collected from the public in various forms."

The report of the committee on taxation, which proposed a tax on incomes of all transportation agencies, aroused little comment.

The Consolidation Arguments Concluded

Commission After Two Years' Consideration Is Now in Position to Modify Tentative Plan

WASHINGTON, D. C.

ORAL ARGUMENTS before the Interstate Commerce Commission on its plan for consolidation of the railroads were concluded on January 12 and the commission will now proceed to the formation of its so-called final plan, including such modifications of the tentative plan as it may see fit to adopt as the result of the contentions made by various interests during the past two and one-half years.

One of the principal features of the arguments as it related to the western roads involved the proposals of the Great Northern, Northern Pacific, Burlington and Colorado & Southern that they be placed in a single system and the opposition expressed by other roads and other interests to the plan for the allocation of the other western roads suggested by Hale Holden, president of the Burlington, in an effort to show the commission how the other western roads could be grouped into systems of approximately equal size and strength. Counsel for the Hill roads took the position, however, that approval of their proposed consolidation need not be contingent upon acceptance of the Holden plan.

The Great Northern and Northern Pacific each filed two briefs, one in support of the proposed consolidation of the four roads and another opposing the allocation of the Burlington to the other. The Great Northern was represented by M. L. Countryman and Walker D. Hines, the Northern Pacific by C. W. Bunn and D. F. Lyons and the Burlington by O. M. Spencer and Bruce Scott. Mr. Scott's argument was in support of the proposed consolidation plan and in vigorous opposition to the proposal of the commission to break up the existing affiliation of the Hill lines by assigning the Burlington to the Northern Pacific.

Mr. Hines presented a general survey of the western situation to show that other leading transcontinental interests are to be perfected and strengthened and that the remaining western railroad strength would be injured by breaking down the Burlington-Great Northern-Northern Pacific community of interest. He said that in addition to the Southern Pacific-Rock Island and Union Pacific-North Western systems there is also in contemplation a controlling traffic and service alliance between the system containing the Union Pacific and the system containing the Southern Pacific, thus largely re-establishing for practical purposes the old Harriman merger, while the Burlington-Great Northern-Northern Pacific group is given an opposite treatment, being disrupted both in its ownership and traffic,

and that its proposed dismembered parts cannot successfully maintain themselves against the other three interests which are preserved and fortified.

An implied and fundamental test of consolidation, he said, is that the country needs and must preserve existing railroad strength and efficiency and that existing relationships which are natural and proper and which have actually proved their strength and efficiency should not be destroyed for theoretical and uncertain objectives, but should be preserved to accomplish the purpose of the statute; this test requires preservation of the Burlington-Great Northern-Northern Pacific group. The tentative plan if enforced would destroy an important part of the efficiency, strength and certainty of the Burlington-Great Northern-Northern Pacific group without the possibility of corresponding gain elsewhere and there is no statutory requirement that the strength and efficiency of this group must be sacrificed and lost to the public because of the size of the group. It would be more reasonable and practicable, more beneficial to the public and far less injurious and unjust, Mr. Hines said, to put the St. Paul with the Union Pacific and make the other necessary alignments than to disrupt the Burlington-Great Northern-Northern Pacific group. The four-system plan for the west, he said, would produce better average conditions, stability in car distribution, restore Gulf outlets excluded by the tentative plan, and provide others which are needed, distribute more uniformly the benefits and disadvantages of Panama canal competition and facilitate public regulation.

C. W. Bunn, general counsel of the Northern Pacific, emphasized the direction of the statute that the proposed consolidations be so formulated as to preserve existing routes and channels of trade. He said this means that it is necessary to make up systems from existing railroads, not break up existing systems, which would be entirely beyond the scope of Congress or the intent of the law. To put the two northern lines together with the Burlington would preserve competition as well as any other plan, as most of their traffic is from communities where there is other competition. The St. Paul could not be put with either without eliminating more competition than if the two were put together. Mr. Bunn also said that the plan will remain a scrap of paper unless it is one that will appeal to the stockholders.

D. F. Lyons of the Northern Pacific said there is not

a man on any of the three roads who does not believe in the joint case. However, to him had been assigned the argument that if the group is to be separated, the Northern Pacific should have the Burlington.

Bruce Scott, general solicitor of the Chicago, Burlington & Quincy, said that if this is to be in fact, as well as in name, the first step in a consolidation proceeding, the established relationships of the present group should not be disrupted and destroyed and the properties segregated and dismembered, but rather that the preliminary step toward their actual consolidation now made possible by law should be authorized in the plan to be promulgated by the commission.

While the commission in its tentative report recognizes the principle that the present relationships should generally be preserved, Mr. Scott said, this probably was not very effectively applied in dealing with the Burlington. In no other instance in the tentative plan is it proposed so rudely to disturb so closely integrated traffic, operating, corporate and financial relationships. The statutory standards are departed from in the tentative plan, but they will be observed by grouping the Burlington-Great Northern-Northern Pacific and their subsidiaries and only by so doing can an effective competitive system be provided as against Santa Fe, Southern Pacific, Rock Island and the Union Pacific system, especially in view of the enlargement and strengthening of the latter through the Southern Pacific traffic alliance sanctioned in the Central Pacific control case. "The law contemplates only voluntary consolidations," Mr. Scott said. "It is futile to propose plans which are so contrary to the interests of the companies and the public as to lack any incentive for their acceptance. There can be no doubt from this record that the Burlington would suffer most far-reaching loss if severed from other northern lines and that neither of the northern companies will consent to such a separation. We proposed a definite constructive plan as a first step toward a consolidation of these properties. The record justified the plan. The public has manifested its approval of this grouping. If the consolidation law is to be made effective in definite results, a manifest opportunity is here presented."

H. A. Scandrett, arguing for the Union Pacific, said that the Holden plan proposed too large systems. They would each be of at least 30,000 miles and the mileage of each system would naturally grow because there would be no chance for new systems to be developed in competition with them by construction. Mr. Holden's proposed group No. 4, he said, would serve states containing 71 per cent of the area of continental United States and such unwieldy groups should only be authorized slowly. "We are traveling very fast in the matter of consolidation," Mr. Scandrett said. "Only ten years ago the Union Pacific-Southern Pacific system was broken up and now we are told that tomorrow we may have a compulsory consolidation law. We should be sure that the lines we are putting together are naturally affiliated."

E. E. Clark also spoke for the Union Pacific in opposition to the assigning of the Colorado lines of the Rock Island to the Southern Pacific. He said that these lines would have only a nuisance value and that the Union Pacific does not desire them for itself, but that it would be willing to assist in their disposition even by taking them over.

Clyde M. Reed, chairman of the Kansas Public Utilities Commission, appearing also for several Missouri river cities, said that the Missouri valley is substantially unanimously opposed to the wholesale consolidation of railroads as proposed first by Professor Ripley and second by the commission. Plans whereby more than 1,000 separate railroad operating companies are to be jammed into 19 systems, he said, represent the farthest-reaching disturbance of our transportation system that has ever been seriously suggested

and a sounder policy would be one that would decentralize control over transportation. He referred to the plan as proposing 19 billion-dollar corporations controlling and transacting the transportation functions of the country. He urged that before the commission takes the final step and commits itself to what he believed to be an impossible program, it develop affirmative grounds to justify the revolutionary procedure proposed.

W. A. Colston, general counsel of the New York, Chicago & St. Louis, urged the adoption of a comprehensive plan under which Systems Nos. 4 and 5 and parts of No. 8 might be included in one system, which, he said, would be big enough to compete with the New York Central, the Pennsylvania or Baltimore & Ohio. He said all he was asking was an opportunity for the Nickel Plate to go out and try to persuade the other roads that it would be a good thing to come in either as sellers to the Nickel Plate or buyers of the Nickel Plate.

W. F. Strang, for the Buffalo, Rochester & Pittsburgh, said that no fewer than 12 plans for the inclusion of that road had been suggested and, therefore, he thought it better for the commission to amend its plan so as to permit inclusion of the road in Systems 1, 3, 5 or 7a.

Charles E. Townsend urged that the Boyne City, Gaylord & Alpena should not be put into the Pere Marquette system, but that with the Detroit & Mackinac it should be attached to the Michigan Central.

W. S. Bronson of the Chesapeake & Ohio expressed approval of the commission's tentative plan to consolidate the Hocking Valley and the Virginian with the Chesapeake & Ohio. One of the advantages, he said, would be that coal produced at mines along the Virginian demanding a western outlet would obtain that by way of the C. & O., and the competition that now exists between the New River and Pocahontas fields of West Virginia would be preserved, whereas a consolidation of the Virginian with the Norfolk & Western as suggested by Professor Ripley would materially lessen such competition.

Forney Johnston, appearing for the Seaboard Air Line, said that the Louisville & Nashville is the only trunk line system in the southeast with which the Seaboard Air Line might properly consolidate with due regard for competition and preservation of routes without arbitrary or forced results. That result being doubtless unavailable by reason of the Atlantic Coast Line control of the L. & N., the Seaboard could not rationally or appropriately be grouped, he said, with any other trunk line entering the Gulf states. The general opposition of the Seaboard is that it should be set up as a nucleus for an independent system and expressly invited to apply to the commission from time to time for authority to make specific consolidations. He particularly opposed the proposed merger with the Illinois Central and Central of Georgia and said that in announcing the systems it would be clearly in the public interest to provide the widest flexibility by allocating sundry lines either jointly to different systems or in the alternative by setting them up separately for connection with one or more major systems.

John S. Burchmore, representing the National Industrial Traffic League, outlined the position of the league that the commission should not now undertake to prepare a definite plan, but that it should first undertake to formulate general principles. The league is in favor of a plan by which railroads would be allowed to consolidate voluntarily subject to approval by the commission.

The Pennsylvania Congressional delegation on January 12 adopted a resolution calling on the commission to prevent a consolidation of the Philadelphia & Reading with either the New York Central or the Baltimore & Ohio and declaring that the independent position of the Reading should not be disturbed.

Lawrence A. Downs Heads Central of Georgia

Operating Vice-President Wins Well Earned Promotion
as Successor to W. A. Winburn

THE CENTRAL OF GEORGIA is a subsidiary of the Illinois Central and the management of the parent system has seen fit on some occasions to effect an exchange of officers between the two properties whereby a position on the subsidiary serves as a stepping-stone to a more important place on the parent system, or vice versa. However, there are good reasons why this plan was not followed in filling the vacancy created by the death of President Winburn, on January 8, which was reported in the *Railway Age* of January 12, page 222. Lawrence A. Downs, who is himself essentially an Illinois Central product and who succeeded L. W. Baldwin as vice-president and general manager of the Central of Georgia in 1920, was plainly the logical successor to Mr. Winburn and his election comes as no surprise.

Mr. Downs is a comparatively young man and his election to the head of a property as important as the Central of Georgia naturally gives rise to some speculation as to the essential elements upon which his success has been founded. But this is no secret to his many friends, for they will agree that his rapid rise in the railway world may be ascribed in the main to the combination of an abundant endowment of those elements which make for native leadership with a blunt, whole-hearted affability which alloys respect and admiration with affection and loyalty. "Handling men," he has said, "is largely a matter of getting them to like you. If you can't gain their good will, you can't expect to get their best efforts."

Although an engineer by training and experience and a past president of the American Railway Engineering Association, Mr. Downs has found the fullest opportunity for his talent as an operating officer and the success which the Central of Georgia has attained in the past four years has been founded in large measure on increased economy of operation, the result of a smooth working organization and a co-operative spirit on the part of the employees developed under his leadership.

Mr. Downs is a firm believer in the delegation of authority to the subordinate. Holding his men strictly to account for results, he scrupulously avoids the harassing tactics of the nagger and fosters the exercise of initiative in the development of methods to obtain the desired end. He also feels a well-earned pride in the success which has attended his negotiations with organized labor. As he puts it: "Negotiations with employees require a knowledge of

what some people call 'the humanities.' They also require that you be fair in your dealings. This does not mean that you must grant every request made of you but that you observe a spirit of fairness, avoiding tricky or underhand tactics in efforts to outgeneral the men, and above all, that you keep every promise that you make them."

L. A. Downs was born at Greencastle, Ind., on May 9, 1872. Graduating from Purdue University in 1894, he obtained his first railway position with the Vandalia on February 12, 1895. Subsequently entering the engineering

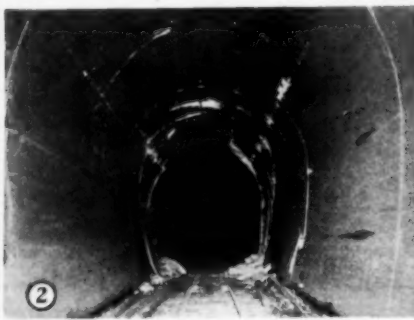
department of the Illinois Central, he occupied various positions until 1898, when he was appointed roadmaster. He served in this capacity for eight years until March, 1907, when he was promoted to assistant chief engineer, maintenance of way, a position he held until December 6, 1910, when he was appointed division superintendent. He served in this capacity on various divisions until January 15, 1915, when he was made general superintendent on the southern lines. A year and a half later he was transferred to the northern lines in the same capacity and on January 1, 1919, he was promoted to assistant general manager. He occupied this position until March 1, 1920, when he was elected vice-president and general manager of the Central of Georgia, the position he held until his recent election as president.



L. A. Downs

TWO CLUBS, having as their object the fostering of a spirit

of co-operation and helpfulness among the officers and employees of the Great Northern, have been formed on that road. One, the Great Northern Railway Club, is composed of men of the age of 21 years or over, residents of the city of St. Paul, Minn., and vicinity, who are employees of the Great Northern in good standing or are engaged in any business or pursuit directly allied with the road. The membership of the club includes all of the executive officers at St. Paul, and other employees, to the number of 239. The club meets weekly at luncheon in an assembly room in the general office building. Commencing January 9, a series of talks are being given on the organization of the Great Northern, its early history and the development of each department. The first annual banquet of the club was held on December 19, with 500 members present. The other club, the Glacier Park Juniors, was organized in 1917 and is composed of male employees of the Great Northern under 21 years of age. At this time the club has 70 members and is said to be the second largest boys' railroad club in the world. This club, which meets bi-weekly, has programs including addresses, debates, musical entertainments and athletics.



What the Earthquake Did to the Japanese Railways

- 1—Cracking and Shifting of Piers of Bridge Over Minato River, Between Kazusa-Minato and Hama-Kanaya, Boso Line. 2—Cracking and Partial Falling of Nokogiriyama Tunnel, Sobu Line. 3—Falling of Girders on Bridge Between Hayakawa and Nebukawa, Atami Line. 4—Eastern Entrance of Komine Tunnel after the Quake. 5—Looking Over Bridge Shown in First Illustration. 6—Derailed and Overturned Passenger Train Near Oiso Station, Tokaido Line. 7—Overturned Locomotives, in Engine House, Awahojo Station, Sobu Line. 8—Shifting of Roadbed Leaving Track in Original Position, Between Nebukawa and Manazuru, Atami Line. 9—Shimbashi Station, Tokyo. 10—Overturned Freight Train, Chigasaki Station Yard, Tokaido Line. 11—Collapsed Bridge Over Banyu River, Tokaido Line. 12—Passenger Train Buried When Samunomeyama Tunnel Collapsed During the Quake; Stack and Cab of Locomotive Barely Visible. 13—Train Crushed and Overturned by Falling Highway Bridge, Odawara Station, Atami Line.

Automatic Stops Required on Ninety-four Roads

Automatic Train Control Ordered by I. C. C. on Forty-five Additional Roads by February, 1926

WASHINGTON, D. C.

THE INTERSTATE COMMERCE COMMISSION on January 14 issued an extension of its train-control order of June 13, 1922, requiring 45 additional railroads to install automatic train control devices on a full passenger locomotive division by February 1, 1926, and also requiring 47 of the 49 roads named in its original order to make an installation on an additional division. The two roads excepted are the Richmond, Fredericksburg & Potomac and the West Jersey & Seashore, which have but one division.

Whereas the original order named roads having operating revenues of \$25,000,000 annually, the new order and the old order together now take in 94 of the 194 Class I roads. (Those having annual revenues of over \$1,000,000.)

After referring to the previous order the new order says:

"And it further appearing, That safety of operation and of persons and property require the extension of the protection afforded by such devices as rapidly as possible * * *:

"It is ordered, That the following carriers by railroad subject to the interstate commerce act be, and each of them is hereby, required to instal on or before the 1st day of February, A. D., 1926, automatic train-stop or train-control devices applicable to or operated in connection with all road engines running on or over at least one full passenger-locomotive division included in the part of the main line of each such carrier by railroad between the points hereinafter designated; and the installations herein required shall be made in addition to the installations, if any, heretofore ordered in this proceeding to be made between the same points or upon any other portion of the line or lines of any of the carriers named:

- *Atchison, Topeka & Santa Fe, between Chicago, Ill., and Newton, Kan.
- *Atlantic Coast Line, between Richmond Va., and Charleston, S. C.
- *Baltimore & Ohio, between Baltimore, Md., and Pittsburgh, Pa.
- Bangor & Aroostook, between Northern Maine Jct., Maine, and Van Buren, Maine.
- Bessemer & Lake Erie, between Erie, Pa., and East Pittsburgh, Pa.
- *Boston & Albany, between Boston, Mass., and Albany, N. Y.
- *Boston & Maine, between Boston, Mass., and Portland, Maine.
- *Buffalo, Rochester & Pittsburgh, between Buffalo, N. Y., and Butler, Pa.
- Carolina, Clinchfield & Ohio, between Elkhorn City, Ky., and Irwin, Tenn.
- Central New England, between Hartford, Conn., and Millerton, N. Y.
- Central of Georgia, between Atlanta, Ga., and Savannah, Ga.
- *Central of New Jersey, between Jersey City, N. J., and Scranton, Pa.
- Charleston & Western Carolina, between Augusta, Ga., and Port Royal, S. C.
- *Chesapeake & Ohio, between Richmond, Va., and Clifton Forge, Va.
- *Chicago and Alton, between Chicago, Ill., and St. Louis, Mo.
- *Chicago & Eastern Illinois, between Chicago, Ill., and Evansville, Ind.
- *Chicago & Erie, between Chicago, Ill., and Salamanca, N. Y.
- *Chicago & North Western, between Chicago, Ill., and Omaha, Neb.
- *Chicago, Burlington & Quincy, between Chicago, Ill., and Omaha, Neb.
- *Chicago, Indianapolis & Louisville, between Chicago, Ill., and Louisville, Ky.
- *Chicago, Milwaukee & St. Paul, between Chicago, Ill., and St. Paul, Minn.
- *Chicago, Rock Island & Pacific, between Chicago, Ill., and Omaha, Neb.
- *Chicago, St. Paul, Minneapolis & Omaha, between Minneapolis, Minn., and Omaha, Neb.
- *Cincinnati, New Orleans & Texas Pacific, between Cincinnati, Ohio, and Chattanooga, Tenn.

- *Cleveland, Cincinnati, Chicago & St. Louis, between Cleveland, Ohio, and St. Louis, Mo.
- Colorado & Southern, between Wendover, Wyo., and Denver, Colo.
- *Delaware & Hudson, between Wilkes-Barre, Pa., and Albany, N. Y.
- *Delaware, Lackawanna & Western, between Hoboken, N. J., and Buffalo, N. Y.
- Denver & Rio Grande Western, between Denver, Colo., and Ogden, Utah.
- El Paso & Southwestern, between El Paso, Tex., and Tucson, Ariz.
- *Erie Railroad, between Jersey City, N. J., and Buffalo, N. Y.
- Florida East Coast, between Jacksonville, Fla., and Key West, Fla.
- Fort Worth & Denver City, between Texline, Tex., and Ft. Worth, Tex.
- Grand Trunk Western, between Chicago, Ill., and Port Huron, Mich.
- *Galveston, Harrisburg & San Antonio, between El Paso, Tex., and Houston, Tex.
- *Great Northern, between St. Paul, Minn., and Glasgow, Mont.
- Gulf & Ship Island, between Jackson, Miss., and Gulfport, Miss.
- Gulf, Colorado & Santa Fe, between Galveston, Tex., and Purcell, Okla.
- Gulf, Mobile & Northern, between Jackson, Miss., and Mobile, Ala.
- Hocking Valley, between Toledo, Ohio, and Columbus, Ohio.
- Houston & Texas Central, between Houston, Tex., and Denison, Tex.
- *Illinois Central, between Chicago, Ill., and Memphis, Tenn.
- International-Great Northern, between Laredo, Tex., and Longview Jct., Tex.
- *Kansas City Southern, between Kansas City, Mo., and Texarkana, Tex.
- Kansas, Oklahoma & Gulf, between Denison, Tex., and Joplin, Mo.
- Lehigh & New England, between Swartswood Jct., N. J., and Campbell Hall, N. Y.
- *Lehigh Valley, between Jersey City, N. J., and Buffalo, N. Y.
- *Long Island, between Jamaica, N. Y., and Montauk, N. Y.
- Louisville & Nashville, between Louisville, Ky., and Birmingham, Ala.
- *Louisiana & Arkansas, between Hope, Ark., and Alexandria, La.
- Louisiana Western, between Lafayette, La., and Vinton, La.
- Louisville, Henderson & St. Louis, between Evansville, Ind., and Louisville, Ky.
- Maine Central, between Portland, Maine, and Bangor, Maine.
- Midland Valley, between Wichita, Kan., and Fort Smith, Ark.
- *Michigan Central, between Chicago, Ill., and Detroit, Mich.
- Minneapolis & St. Louis, between Minneapolis, Minn., and Peoria, Ill.
- Minneapolis, St. Paul & Sault Ste. Marie, between Chicago, Ill., and Minneapolis, Minn.
- Missouri, Kansas & Texas, between St. Louis, Mo., and Denison, Tex.
- Missouri, Kansas & Texas Railway Company of Texas, between Denison, Tex., and Galveston, Tex.
- *Missouri Pacific, between St. Louis, Mo., and Herington, Kan.
- Mobile & Ohio, between Mobile, Ala., and St. Louis, Mo.
- Nashville, Chattanooga & St. Louis, between Nashville, Tenn., and Atlanta, Ga.
- *New York Central, between Albany, N. Y., and Cleveland, Ohio.
- *New York, Chicago & St. Louis, between Chicago, Ill., and Buffalo, N. Y.
- *New York, New Haven & Hartford, between New York, N. Y., and Providence, R. I.
- New Orleans Great Northern, between Jackson, Miss., and New Orleans, La.
- New Orleans, Texas & Mexico, between Sabine River, La., and New Orleans, La.
- Norfolk Southern, between Norfolk, Va., and Raleigh, N. C.
- *Norfolk & Western, between Roanoke, Va., and Columbus, Ohio.
- *Northern Pacific, between St. Paul, Minn., and Mandan, N. Dak.
- Northwestern Pacific, between Sausalito, Cal., and Eureka, Cal.
- Oregon Short Line, between Pocatello, Idaho, and Huntington, Ore.
- *Oregon-Washington Railroad & Navigation Company, between Portland, Ore., and Pendleton, Ore.

- *Pennsylvania Railroad Company, between Philadelphia, Pa., and Pittsburgh, Pa.
- *Pere Marquette, between Grand Rapids, Mich., and Detroit, Mich.
- *Philadelphia & Reading, between Philadelphia, Pa., and Harrisburg, Pa.
- *Pittsburgh & Lake Erie, between Pittsburgh, Pa., and Brownsville, Pa.
- *Pittsburgh, Cincinnati, Chicago & St. Louis, between Pittsburgh, Pa., and Indianapolis, Ind.
- Rutland Railroad, between White Creek, N. Y., and Rouses Point, N. Y.
- *St. Louis-San Francisco, between Springfield, Mo., and Tulsa, Okla.
- St. Louis Southwestern, between St. Louis, Mo., and Texarkana, Ark.
- Seaboard Air Line, between Richmond, Va., and Jacksonville, Fla.
- *Southern Pacific, between Oakland, Cal., and Los Angeles, Cal.
- *Southern Railway, between Washington, D. C., and Atlanta, Ga.
- Spokane, Portland & Seattle, between Spokane, Wash., and Portland, Ore.
- Texas & Pacific, between Dallas, Tex., and El Paso, Tex.
- *Union Pacific, between Omaha, Neb., and Cheyenne, Wyo.
- Virginian, between Norfolk, Va., and Roanoke, Va.
- Wabash, between East St. Louis, Ill., and Buffalo, N. Y.
- *Western Maryland, between Baltimore, Md., and Cumberland, Md.
- Western Pacific, between San Francisco, (Western Pacific Mole), Cal., and Salt Lake City, Utah.
- Yazoo & Mississippi Valley, between Memphis, Tenn., and New Orleans, La.

* Roads named in original order.

The order provides that the installations be made in accordance with the specifications and requirements prescribed by the commission in its order of June 13, 1922, and that each of the carriers shall submit to the commission complete and detailed plans and specifications for the installation of the devices prior to the installation thereof.

It is further ordered that each of the carriers shall file with the commission on or before May 1, 1924, complete plans of the signal systems in use on the designated portion or portions of line, and report the number and type of locomotives assigned to or engaged in road service thereon; each carrier shall proceed without unnecessary delay to select and install the devices as specified herein; and that each carrier shall file with the commission on or before May 1, 1924, and on the first day of every month thereafter, full and complete reports of the progress made with reference to the installation of such device or devices under this order.

Each installation made pursuant to this order will, when completed, be subject to inspection by and the approval of the commission or any division thereof to which the matter may be referred.

Reduction of Surtaxes Will Promote Railroad Investment

SECRETARY MELLON of the Treasury, in a letter to Senator Couzens on January 15, asserted that a reduction in the surtaxes, such as he has proposed, will tend to promote investment by men of wealth in railroad stocks.

"It is not the existing, highly successful industrials which need the effect of a system of taxation which will give a freer play of capital," he said. "I might mention two businesses of great importance to the general public which are not now adequately supplied. It is estimated that the railroads will require a billion dollars a year of new capital in order satisfactorily to provide the facilities and equipment requisite to handle the traffic presented and to reduce the cost of transportation. In earlier years the railroads have been able to maintain a reasonable proportion between their total stock issues and their total interest obligations. As illustrative of this,

the percentages of new bond issues to new stock issues in the three years, 1911, 1912, 1913, were respectively 59 per cent, 60 per cent, and 53 per cent. In the last three years, under high surtaxes these percentages have become 100 per cent, 95 per cent, and 94 per cent. The time is rapidly approaching when the railroads will be unable to issue further bonds without substantial increase in the stock invested. Originally railroad stocks have been purchased and held by wealthy men and the bonds have more generally gone into the hands of the smaller investor. The Supreme Court recently sustained the validity of the 'recapture clause,' which effectually prevents any new stock being sold at a price which would give a man with large income an adequate return on his investment. If the railroads are to be furnished with capital, much must come from the sale of stocks and to permit any sale, surtaxes must be so reduced as to attract the large investor to that type of security."

Freight Car Loading

WASHINGTON, D. C.

REVENUE freight car loading for the first week of the year was 64,000 cars less than that for the corresponding week of last year, although much of the decrease is found under the head of coal and grain and grain products, which commodities were not delayed during the fall of 1923 by car shortage. The total for the week, which included the New Year holiday, was 703,269 cars, as compared with 767,296 for the corresponding week of 1923 and 599,433 for the corresponding week of 1922. Loading of grain and products showed a decrease of 13,585 cars as compared with the corresponding week of last year, coal decreased 27,761 cars, miscellaneous freight 11,335 cars and forest products 9,649 cars, while there were also decreases in coke and ore. The Pocahontas and Southwestern districts were the only ones to show increases as compared with last year.

The summary as compiled by the Car Service Division of the American Railway Association follows:

WEEK ENDED SATURDAY, JANUARY 5, 1924

| Districts: | 1924 | 1923 | 1922 |
|--------------------------------|---------|---------|---------|
| Eastern | 171,162 | 190,579 | 144,843 |
| Allegheny | 148,398 | 167,092 | 112,126 |
| Pocahontas | 33,380 | 27,308 | 25,347 |
| Southern | 112,224 | 115,898 | 93,300 |
| Northern | 78,373 | 96,453 | 75,758 |
| Central Western | 109,113 | 119,672 | 90,018 |
| Southwestern | 50,619 | 50,294 | 48,041 |
| Total Western Districts | 238,105 | 266,419 | 213,817 |
| Commodities: | | | |
| Grain and grain products | 31,895 | 45,480 | 40,025 |
| Live stock | 31,643 | 31,141 | 25,217 |
| Coal | 159,471 | 187,232 | 135,522 |
| Coke | 11,021 | 12,923 | 6,872 |
| Forest products | 47,396 | 57,045 | 40,710 |
| Ore | 8,108 | 9,967 | 4,031 |
| Mdse. L. C. L. | 184,343 | 182,781 | 171,158 |
| Miscellaneous | 229,392 | 240,727 | 175,898 |
| Total | 703,269 | 767,296 | 599,433 |
| December 29 | | 615,431 | 704,224 |
| December 22 | | 877,257 | 826,312 |
| December 15 | | 899,522 | 879,052 |
| December 8 | | 913,774 | 909,174 |

The railroads on December 31 had 312,338 surplus freight cars, an increase of 74,995 over the number on December 22. This included 129,963 surplus box cars and 149,409 coal cars.

The percentage of bad order locomotives on January 1, was 16.1 per cent, including 14.6 per cent in need of heavy repair and 1.5 per cent in need of light repairs.

AN INDUSTRIAL SAFETY FILM CONTEST is being conducted by the National Safety Council in which a prize of \$300 is offered for the best scenario received. The contest will close at midnight January 31. The judges will be L. A. DeBlois, president, and Marcus A. Dow, vice-president, of the National Safety Council, and a representative to be appointed by Will H. Hays, president of the Motion Picture Producers and Distributors.

Proposed National Railroad Legislation

Bills Flood the Senate When Deadlock is Broken in the Election of Committee Chairman

WASHINGTON, D. C.

PLANS OF THOSE who are anxious to amend the railroad laws took on a new activity promptly following the settlement of the deadlock over the election of a chairman of the Senate committee on interstate commerce. Senator La Follette on January 10 introduced a bill, S. 1899, to amend both the rate-making provisions of the Transportation Act and the valuation act to establish what he called a cost system of fixing railroad rates, and this was followed on January 14 by a government ownership bill, S. 1945, proposed by Senator Norris, while some additional bills have also been introduced to repeal Section 15a of the commerce act. Meanwhile Senator Cummins and Chairman Winslow of the House committee on interstate and foreign commerce have been at work on bills designed to carry out the administration views as to railroad legislation as outlined by President Coolidge in his message to Congress. On January 15 Senator La Follette introduced a resolution providing for more direct action to reduce rates by directing the Interstate Commerce Commission "to proceed forthwith to reduce substantially to the pre-war levels the freight rates upon agricultural products."

Senator Cummins expected to introduce his consolidation bill on Thursday, including provision for federal incorporation as an inducement to railroads to form new consolidated corporations.

There has been no announcement as to which of the various bills is to be supported by the radical element, and there is undoubtedly room for some controversy in the variety of the views expressed.

In addition to the new bills proposed by La Follette and Norris, there is the bill introduced by Senator Brookhart last session, and again this session, to use the market quotations of railroad securities as a rate base, while a less radical position is represented by the bill, S. 1919, introduced on January 14 by Senator Fletcher, to repeal Section 15a. A similar bill, H. R. 5427, was introduced in the House by Representative Huddleston, which, however, also provides for a restoration of the rates in effect before August 26, 1920.

The Senate committee held its first meeting of the session on January 15, and after voting to recommend to the Senate the confirmation of the reappointments of M. W. Potter and Frank McManamy to the Interstate Commerce Commission and of E. P. Morrow, Horace Baker and E. F. Grable to the Railroad Labor Board, decided to meet on January 21 to consider the various bills which have been referred to it, and as to what hearings may be held. Later in the day the Senate voted to confirm the appointments.

Democratic Railroad Policy

Senator E. D. Smith, of South Carolina, after being elected chairman of the Committee on Interstate Commerce, was at once pressed by newspaper men for a statement of his views and intentions regarding railroad legislation. He made an appointment to see the correspondents on January 11, and when they arrived the mimeograph in his office was busily engaged in grinding out a rather lengthy statement on the subject. The Senator was delayed by a conference with the Democratic leader, Senator Robinson, however, after which the following brief statement was issued:

"As a result of unusual conditions, I, a democrat, have been elected chairman of the Committee on Interstate Commerce at a time when my party is in a minority in the Sen-

ate. It is not possible at this time to anticipate what action the committee will take touching the important measures which it is expected will be brought before it. There is a widespread demand for a substantial reduction in freight rates. All interested should co-operate to provide relief from the burden of excessive freight rates. This applies with especial emphasis to the intolerable burden imposed under present rates on agriculture. I think all fair-minded persons realize that I am not in a position to define a hard and fast program for the Committee on Interstate Commerce."

The newspaper stories on this incident brought out a denial from Senator Robinson in the Senate that Senator Smith was "either expressly or implicitly requested to modify any statement in contemplation by him." Senator Robinson added the following regarding the position of the democrats as to transportation matters:

"I take occasion to say that the senator from South Carolina [Mr. Smith] was elected chairman of the Committee on Interstate Commerce after a prolonged contest in the Senate, receiving the support of every democrat, save one, and of a number of progressive republicans and the two farmer-labor senators. The republicans have a majority of 10 in this body, including the two senators designated as members of the farmer-labor party. So marked are the differences between what is known as the conservative and the progressive elements of the republican party in the Senate, respecting legislative policies as they relate to transportation, that it was found impossible for them to agree upon a republican of either wing for chairman of the Interstate Commerce Committee. Democratic senators feel themselves justified in refraining from supporting any republican and in voting for one of their own number whose record, experience, and sound judgment justify confidence in his ability and integrity.

"The senator from South Carolina [Mr. Smith] was for many years chairman of the Committee on Interstate Commerce while the democrats were in control of the Senate. His efforts and accomplishments while serving in that capacity demonstrated fairness and just dealing toward both the public and the railroads. Democrats in the Senate desire to see the transportation system of the United States improved so that not only investors in railroad securities may be treated fairly, but also that shippers and consumers may be better protected against discriminations and oppressive charges and receive transportation service at just and reasonable rates.

"The difficulties in the way of a complete reorganization of the freight-rate structure advocated by the President in his annual message to Congress must be recognized by every senator and by students of the railroad problem generally. Nevertheless, transportation charges are intimately related to the cost of living and the prosperity of industry. Agriculture has been very especially embarrassed, and readjustments of freight rates seem essential before that industry can be placed upon the basis of permanent prosperity. This applies not only to farm products, but with equal force to commodities which farmers consume.

"Even if it should prove impossible to reorganize the freight-rate structure, it is necessary that some plan be provided for substantial reductions in rates and for the removal of inequalities and deficiencies in service.

"The railroad managements have made notable progress

during the last year in this latter respect, and Congress should manifest its readiness to facilitate this advance in every proper way.

"Widespread demand exists for the elimination of the Pullman surcharge, and this should receive the consideration of Congress, and I believe should be acted upon.

"While the responsibilities incident to the selection of a democrat for this important chairmanship, when the opposition numbers a majority in the Senate, is accompanied by difficulties, substantial relief may result through the co-operation of all who desire to see it brought about."

Senator Smith is not classed as a radical nor as particularly hostile to the railroads, although he has been a rather persistent advocate of reductions in rates in speeches he has made at various times. He was one of those who opposed the passage of the Transportation Act, and is now in favor of repealing or amending it. He has also introduced a bill to abolish the Pullman surcharge.

After Senator Cummins had been displaced as chairman, Senator Dill raised a question as to whether he had been even elected a member of the committee, since a separate vote had been reserved on the chairmanship. Senator Robinson of Arkansas, the Democratic leader, however, said that there was no objection to Senator Cummins being a member and at his suggestion his assignment to the committee was approved by unanimous consent on January 10.

The La Follette Bill

The La Follette bill strikes out paragraphs 1, 2, 3 and 4 of Section 15a, those which direct the Interstate Commerce Commission to try to make rates that will produce as nearly as may be to a fair return, while leaving intact the provisions relating to the recapture of one-half of the earnings above 6 per cent. In an explanatory statement the senator says it may be necessary eventually to make some changes in these provisions, but he indicates that this would be for the purpose of making them consistent with the new method of fixing rates which he proposes. In brief, his plan provides for the fixing of rates on the basis of cost of service, including actual capital cost to the extent that the cost would come within the limits of "prudent investment." Senator La Follette says that this would make a difference of several hundred million dollars a year in freight charges. This is presumably on the assumption that the Interstate Commerce Commission would agree with him as to the cost of the railroads which he proposes to use as a rate base, but, according to the terms of his bill, it would have to make a new valuation of the railroads before the new basis of rate-making could become effective.

After providing for the repeal of the first four paragraphs of Section 15a and including a number of definitions in his new paragraph 1, the La Follette bill proposes substitutes for paragraphs 2, 3 and 4 as follows:

"(2) In the exercise of its power to prescribe just and reasonable rates the commission shall initiate, modify, establish or adjust such rates so that carriers as a whole (or as a whole in each of such rate groups or territories as the commission may from time to time designate) will be reimbursed for the reasonable cost of the transportation service furnished. The reasonable cost of such service shall be the amount found necessary for reasonable operating expense (including taxes and adequate provision for maintenance and depreciation and for reasonable capital cost). The reasonable capital cost shall be based on the amount of investment prudently required and utilized to furnish the transportation service in question.

"To determine the amount of such investment the commission shall use the recorded cost of producing the existing property used and useful for carrier purposes to the extent that reliable records are available and that such recorded cost is not shown to have been unreasonable; shall supply deficiencies in reliable recorded costs by estimates of the maximum of what reasonable costs would have been; shall make appropriate deduction for diminishment of the investment in carrier property through abandonment or depreciation of such property, such depreciation to be determined by the

age, condition and character of the existing property as compared with the new property designed for the same use.

"Having determined the amount of such investment, the commission shall find the reasonable capital cost which shall equal cost of money obtained upon outstanding evidences of indebtedness plus a fair return upon the investment remaining after deducting the amount of such evidences of indebtedness, the said fair return to be determined by the current cost of money obtained upon securities of similar character to those representing said balance of investments, for investments in enterprises of similar risk: Provided that the commission shall have reasonable latitude to modify or adjust any particular rate which it may find to be unjust or unreasonable and to prescribe different rates for different sections of the country.

"(3) The commission may utilize the results of its investigation under Section 19A of this act in so far as deemed by it available; and whenever pursuant to Section 19A of this act the commission shall have determined the rate base for an individual carrier as provided in said section, the rate base so ascertained shall be utilized by the commission to determine the reasonable capital cost of transportation service as hereinbefore defined."

The bill then provides for changes in the valuation provisions as follows:

"Section 2. That paragraph (A), Section 19A, of said act, as amended, be, and the same hereby is, amended by adding to said paragraph the following sentence: 'The purpose of making the valuations herein provided for shall be to establish a value for rate making purposes,' for each carrier, which is hereby designated as the 'rate base,' and which shall be utilized in aid of establishment of just and reasonable rates, as the commission may be directed or authorized herein or hereafter.

"Section 3. That paragraph (B) Section 19A, of said act, as amended, be, and the same hereby is, amended by adding to clause four the following sentence: 'The commission shall utilize all the information available from its investigations of the property and accounts of a common carrier and of other common carriers for the purpose of estimating the original cost to date of the existing property of a common carrier where the actual or recorded cost of such property is not to be ascertained from reliable records, or where the prudence of the investment represented by such cost may be doubtful, it being the purpose of the requirement that the commission shall ascertain and report the original cost to date of existing property to determine the amount of prudent investment, either actually made in the existing property of the carrier or which it would have been necessary to make in order to build up such property by reasonable methods and at reasonable cost during the period of actual construction.

"Section 4. That paragraph (F), Section 19A, of said act, as amended, be, and the same hereby is, amended to read as follows: 'Upon the completion of the first valuation of a carrier property as of a fixed date as herein provided for, which is hereby designated as the "original rate base," the commission shall thereafter keep itself informed of all extensions and improvements or other changes in the condition, amount and cost of the property of such a carrier and shall require the carrier to report at stated intervals net additions and betterments in such form and detail that the commission having verified and reviewed such reports and made such revisions as may be necessary, shall be able to determine the amount of additional investment prudently made in the property of the carrier property so determined shall be added to the original rate base and the total under the designation of "present rate base" shall be reported to Congress at the beginning of each regular session and shall be utilized by the commission in the exercise of its rate making functions, in accordance with the requirements of this act.'

Senator La Follette authorized a statement with reference to the bill in which he said in part:

"The amendments to the Esch-Cummins law and the railroad valuation act which I have today introduced provide for the first time in the history of federal legislation a scientific method of fixing railroad rates. The basis for finding the capital cost of transportation service will be provided in the reports of the Interstate Commerce Commission made in accordance with the valuation act. The principal purpose of this act was to obtain findings of original cost of railroad properties so as to determine the amount of money actually and prudently invested. Unfortunately, this purpose has not been completely fulfilled owing to the opposition of the railroads. But a majority of the Interstate Commerce Commission have admitted, in their recent decision upon the petition of the National Conference on Railroad Valuation, that the original cost to date

can and should be reported. My amendment to the valuation act directs the commission to do this and further provides that where reliable records have not been preserved by the railroads, original cost shall be estimated from the ample data which are available.

"These amendments, if enacted, will fix as the rate base the amount of money prudently invested in the properties by the owners, and will outlaw for rate-making purposes the inflated and fraudulent claims of alleged "values" now put forward by the railroads. This means a difference of several hundred million dollars a year in the amount of the freight charges that must be paid by the American people and four or five times that much in their cost of living.

"In accordance with a recommendation of the Interstate Commerce Commission in its Annual Report of December 1, 1923, I have provided that after a rate base is established it shall be kept up to date by adding the amount of additional net investment prudently made in the property.

"It will be necessary eventually to make some changes in the recapture provisions of this section of the Esch-Cummins law in order to make them consistent with the methods of fixing rates which I have outlined above. I have refrained from offering such amendments, however, until I have had an opportunity to make a thorough study of the recent Supreme Court decision upholding the constitutionality of the recapture provisions.

"For half a century we have sought to obtain transportation service at a fair price by requiring that rates should be reasonable. The courts have nullified the efforts of commissions to establish a scientific method for determining what are reasonable rates and have ruled that rates must produce a fair return upon the fair value of the property used. Then, refusing to define fair value clearly and consistently, they have approved or disapproved of rates according to their arbitrary judgment.

"The way to meet this situation is clear. The highest courts have held repeatedly that rate regulation is the function not of the courts but of the legislature. It is, therefore, the undoubted right of Congress to define what are reasonable rates and to direct how they should be established. I propose that Congress shall adequately perform this long-neglected duty."

Other Bills

Senator Norris' bill provides for the creation of a government corporation headed by five directors, to operate two transcontinental trunk lines, from the Atlantic to the Pacific, and from the Lakes to the Gulf, with power to condemn or purchase such privately owned railroads anywhere in the United States as found necessary. Capital would be provided by the sale of 30-year government bonds at 4½ per cent interest, and the price paid not exceed the valuation placed on the roads by the Interstate Commerce Commission. The corporation would also be authorized to hold and operate the government-owned ships.

Senator Sheppard has introduced a bill, S. 1924, to extend the period within which claims for overcharges may be filed against railroads from two to three years. Representative Denison has introduced a bill, H. R. 5326, to prohibit the collection of a Pullman surcharge.

Representative Tillman has introduced a bill, H. R. 5087, to repeal Section 15a and also Section 13 and to curtail the power of the Interstate Commerce Commission in dealing with cases of discrimination caused by state-made rates.

Senator Trammell has introduced a bill, S. 1883, to require carriers to make prompt settlement of claims and to provide penalties for failure.

Senator Dill has also introduced a bill to amend the interstate commerce act.

Senator La Follette's resolution, S. J. Res. 62, which was referred to the committee on interstate commerce, begins with

a series of 14 "whereases" stating among other things that freight rates on grain, livestock and other agricultural products from country shipping points to primary markets are now approximately 47 per cent in excess of pre-war rates and that freight rates on grain for export have been "even more extravagantly increased by approximately 73 per cent and that these rates are fixed by the Interstate Commerce Commission under the mandatory provisions of the Esch-Cummins law." The resolution clause is: "That the present condition of American agriculture constitutes an emergency of so grave a character that the Interstate Commerce Commission be, and it is hereby, directed to proceed forthwith to reduce substantially to the pre-war levels the freight rates upon agricultural products, including livestock, and upon the materials and implements required upon American farms for the production of agricultural products."

Senator Gooding of Idaho on January 15 introduced a resolution, S. J. Res. 124, to provide for an investigation of the publicity activities of the railroads by directing the Interstate Commerce Commission to secure from each common carrier railroad a statement signed by its president and auditor, verified by oath, showing the following information for the calendar year 1923:

a. The amount of money expended and the account or accounts to which charged as compensation and expenses for person or persons employed as speakers or for the purpose of interviewing the public, and for the publication and distribution of advertisements, magazines, books, newspaper stories, editorials or pamphlets, and any and all other literature concerning the operation, earnings, expenditures, stock, investments, taxes, legislative or other matters for the purpose of creating public sentiment favorable to the railroad interests, and for any such literature for the purpose of molding public opinion on any legislative matter other than railroads.

b. The name or names of any subsidiary or outside organization operating under the direction or in connection with any common carrier railroad engaged in the publication of any of the matters named in a, and the arrangement under which such publication and distribution is made and the cost to the railroad.

c. The number of all persons employed in the preparation and distribution of literature named in b, and compensation.

The commission would be directed to secure copies of all such documents and statements and transmit with its report to the Senate within 60 days from date.

I. C. C. Report on

Forsyth Collision

THE INTERSTATE COMMERCE COMMISSION has issued a report, dated January 5, and signed by W. P. Borland, director of the Bureau of Safety on the rear collision of passenger-trains on the New York Central near Forsyth, N. Y., on December 9, when nine persons were killed, and 35 injured. This collision was reported in the *Railway Age* of December 15 and December 29, the last-named being the report of C. R. Vanneman, Engineer of the New York Public Service Commission.

The present report gives a few additional particulars. There are five signals to warn travelers on the highway at night, including a red mirror which reflects arc lights of approaching automobiles. The inspector interviewed the driver of the automobile, W. S. Stratford, and his statement, together with those of his passengers which appear to have been doubted by Mr. Vanneman are, evidently, accepted.

The speed of the colliding train at the moment of collision is estimated as from 20 to 35 miles an hour. Engineman Patterson had had no physical examination for several years.

After the occurrence of this collision an examination was

made by a company surgeon which developed that there was a slight leakage of the heart, and a blood pressure of 200; while the examining physician thought the blood pressure was a little too high for a man of Engineman Patterson's age, he did not consider it to be serious and reported that he found no condition, mental or otherwise, which he regarded as having any bearing on the accident.

Patterson was employed as a fireman in 1890 and was promoted to engineman on December 1, 1897; he had been in passenger service for about five years. In 1904 he was disciplined for passing a signal displaying a stop indication, and he had been subjected to discipline of a minor character on a few other occasions, but his record since 1912 was good. He went off duty at Buffalo at 2 a.m., December 7, and went on duty for the trip on which this accident occurred at 10.25 p.m., December 8, having been off duty 40 hours and 25 minutes, and his statements concerning what he did during his time off duty indicated that he had had sufficient sleep.

Signal Engineer F. B. Wiegand, questioned about the signals, said that he considered the signal system modern in every way. In its order of June 13, 1922, the Interstate Commerce Commission required the installation of an automatic train-control system on one passenger engine division between Albany, N. Y., and Cleveland, Ohio, and Mr. Wiegand stated that plans and specifications covering this installation were sent out for bids on November 24, 1923, to be returned on December 28, at which time the signal committee of the New York Central Lines would meet to consider the bids and to make its recommendations. Mr. Wiegand further said that the specifications were for a continuous type of train control, this type being favored by the committee, which considered it to be more in keeping with an automatic block-signal system in that enginemen are constantly advised as to the condition of the track ahead, and also advised immediately of any change in its condition, such as an open switch; but Mr. Wiegand also said that under the circumstances as they existed at the time of this collision the continuous type probably would not have been better than the intermittent type.

In its main conclusions this report is like that of the New

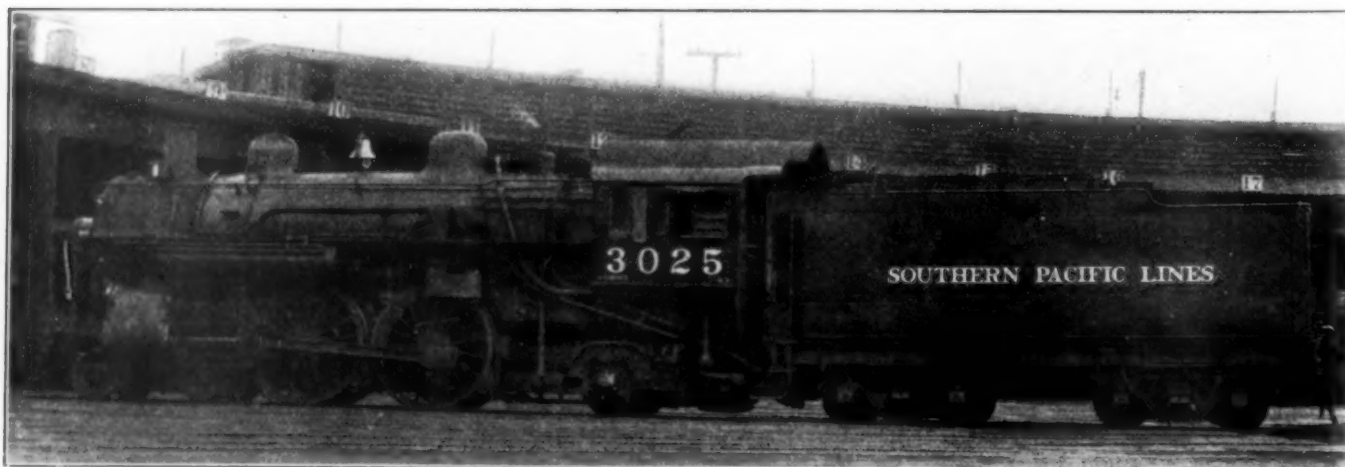
York state report, the engineman being held responsible. [Neither report condemns the fireman.] "Engineman Patterson has been in the service of this railway company for many years and is experienced in running high-speed passenger trains; there was no evidence of illness, physical infirmity or lack of adequate rest on his part which would serve in any way as an extenuation or explanation of his failure to obey the rule and control his train as required."

"Under the New York Central rules the caution indication displayed by signal 61.1 for train fourth No. 5 required that train to approach the next signal prepared to stop. Under the circumstances, it was necessary from the standpoint of safety that this requirement be rigidly observed. At the hearing in this investigation evidence was presented to the effect that enginemen at times continue to run at full speed under caution signal indications. This practice is not considered safe; unless and until automatic train control devices are placed in service to enforce the observance of stop signal indications, the railroad company should, as an additional safeguard, revise its rules so as to require trains being operated at high speed to have their speed reduced to a prescribed medium rate when a caution signal is received and to approach the next signal prepared to stop."

The recommendation of automatic train control is repeated, as in previous investigations, but more in detail. The general order (No. 13,413) for the installation of such apparatus (June 13, 1922) is quoted in part, including the statement that the New York Central had paid claims resulting from four serious collisions, amounting to \$959,215. "It is now more than eighteen months since the Commission issued its order. Under the law, such an order must be issued at least two years before the date specified for its fulfillment, but the railroad company should promptly and diligently proceed with the permanent installation of these devices which experience, costly in human life, has demonstrated are necessary to safeguard railway travel. This the New York Central has not as yet done."

Rejuvenated Locomotives Set New Records

NEW OPERATING RECORDS are being set by Southern Pacific Atlantic type locomotives which were recently "rejuvenated" at the Sacramento general shops by the addition of feedwater heaters and boosters. One of these locomotives, the No. 3025 illustrated, is the oldest of its type on the Southern Pacific and will be remembered



Made an Effective Service Unit by the Application of a Trailer Booster and Worthington Feedwater Heater

York state report, the engineman being held responsible. [Neither report condemns the fireman.] "Engineman Patterson has been in the service of this railway company for many years and is experienced in running high-speed passenger trains; there was no evidence of illness, physical infirmity or lack of adequate rest on his part which would serve in any way as an extenuation or explanation of his failure to obey the rule and control his train as required."

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as the locomotive used at the 1915 San Francisco Exposition for supplying steam for the colored lighting effects. After being equipped with feedwater heaters and boosters this and similar locomotives have established new records in handling the Daylight Limited on a through run of 471 miles between San Francisco and Los Angeles. In test runs it has been shown that these locomotives can go from Los Angeles to San Luis Obispo, a distance of 223 miles, on a single tank of water, making intermediate stops for water unnecessary. The increased power afforded by the booster permits smooth starting of trains.

Fruit and Vegetable Shippers Favor Carriers

The Traffic Committee of the A. F. & V. S. Association Recommends Changes in Shipping Rules

THE SIXTH ANNUAL BUSINESS MEETING of the American Fruit and Vegetable Shippers' Association was held on January 5, 7 and 8 at the Drake hotel, Chicago. Among the several reports submitted by different committees, two pertained to railroads. The first of these was the report of the Traffic committee which upheld the Transportation Act and recommended changes in the shipping rules and practices governing shipping. The second was an address made by W. A. Schumacher, general traffic manager of the Fruit Dispatch Company, New York, on the railroad situation and the Transportation Act of 1920.

Report of Traffic Committee

The Traffic committee, of which F. C. Fitzgibbons is chairman, reported that while there seem to be some features in the Transportation Act that no doubt require modification, the railroads have shown marked increase in efficiency since the act became effective, and it is the opinion of the committee that it is not advisable to advocate any changes at this time. Good transportation is necessary for the life and progress of our industry, and if carriers are to maintain the service rendered this past season, or further increase their efficiency, they must be free to work out their problems without government interference.

In the matter of undercharges, members have experienced more or less trouble by reason of carriers presenting bills anywhere from six months to four or five years after the shipment was moved and long after the transaction between the buyer and seller had been closed. Frequently it is absolutely impossible for the shipper to recover the amount from the party or parties against whom the transportation charges accrued, and this has resulted in many cases in an unjust penalty for what might be termed the omissions of the carriers. The committee feels that some earnest effort should be made on the part of the railroads to immediately correct this situation so that all legitimate undercharges can and will be presented for collection to the proper parties within a reasonable period, which we believe should not exceed six months. Unless the railroads can find means of correcting this situation the committee recommends that the matter be brought up for further consideration for the purpose of initiating corrective measures through the amendment of the Transportation Act and requests the secretary of the association to bulletin the action on this subject to all members with the request that they report promptly all cases of undercharge bills which are not presented by carriers within six months of the date of shipment.

The committee is of the opinion that there is little or no improvement towards tariff simplification but that the tariffs are becoming more complicated and recommends that the railroads, jointly with the Interstate Commerce Commission, undertake to work out with reasonable promptness some plan which will have the effect of so simplifying the tariff that members of the ordinary business firm will be enabled to properly interpret and understand the same.

The committee is opposed to the national pooling of refrigerator equipment and believes the shippers of perishables can be best served by the organization of car lines serving different producing sections as are now in effect in some districts except that no one car line should be permitted to monopolize the entire business in any given producing territory, thus nullifying competition.

It is the opinion of the committee that the carriers should

arrange with reasonable promptness to give the fruit and vegetable industry the privilege of moving carload shipments under initial icing, with one re-icing en route to a regular icing station to be designated by the shipper, and recommends that the secretary follow this matter up with the traffic executives of the interested lines and that the members who are interested in securing such service will also arrange to have their executive officers handle it direct with the executive officers of the carriers. Should the carriers feel that the fruit and vegetable industry, which has always been obliged to use the full standard refrigerator service, must continue to use a more extensive service for some commodities than actually required, then the secretary will bring the matter again to the attention of the committee, who will consider the question of placing it before the Interstate Commerce Commission.

The committee believes that the effort on the part of certain lines to establish a rental on refrigerator cars is detrimental to the fruit and vegetable industry and calls upon the industry in all sections of the country to oppose this proposition. The committee reported that refrigerator cars with small ice tank capacity operated by some lines are not properly equipped to give adequate refrigeration service and recommended that all carriers having old type refrigerator cars with small ice tank capacities arrange to rebuild the cars, bringing them up to the standard prescribed by the United States Department of Agriculture. Complaints have been received where refrigerator cars are of an inside length insufficient to safely transport the minimum load as required by tariff, and the committee recommends that all carriers take action towards amending tariffs that will put the short cars on a competitive basis and not require the shipper to pay freight charges on something he cannot load in the car without material damage to himself and loss to the carriers. The committee recommends that the shippers individually conduct an active campaign with their various customers, with a view to bringing about more speedy release of refrigerator cars. It is a well known fact that the perishable industry sustains large losses annually as a result of the poor condition of some of the refrigerator cars now in use by railroads and the secretary is requested to take this question up with the Interstate Commerce Commission, pointing out those whom the committee believes to be the chief offenders, and asking that a thorough investigation be made and that the result of this investigation be published and made available to all shippers.

In considering embargoes, the committee recommends that the American Railway Association and through it the various carriers arrange to furnish the shippers in each shipping district not less than 48 hours' notice before issuing embargoes on carload perishable traffic. If the carriers are unwilling to do this the secretary is requested to present the matter to the Interstate Commerce Commission.

The following is an abstract of the address made by W. A. Schumacher, general traffic manager of the Fruit Dispatch Company, New York:

What shall we do with our railroads? The simplest and most direct way to answer that question is to let them alone; give them a chance. They don't need any more regulation and we could safely dispense with some they already "enjoy." What business can prosper when its every move is regulated by those not responsible for results, and what incentive is there for men of brains and initiative to

enter a profession that is continually under attack? I suppose love of the game and hope of ultimate reward in the shape of a better understanding of transportation problems by the public is the lure that keeps men in the railroad service, or perhaps it's the sheer joy of winning out in spite of tremendous difficulties. The railroads have made a wonderful come-back during the past year. More money has been spent or appropriated for facilities of all kinds than during any similar period in their history and the volume of traffic moved has exceeded all previous figures.

How can we as shippers help them? In the first place we should resist all attempts to amend the Transportation Act of 1920. That was a constructive piece of legislation designed to help the railroads to get on their feet and stay there. It isn't a perfect piece of legislation and could, no doubt, be improved by deletion, addition and rewording, but it hasn't had a fair trial over long enough a period to stand tinkering at this time. There are too many men in Congress ready to tear it to pieces to safely permit any changes at this session.

We hear a lot about the so-called "guarantee of earnings" clause of the Act. Anyone who has informed himself on the subject knows this is no guarantee of earnings—if anything, it is a limitation of earnings, because after a railroad has earned the amount declared by the Interstate Commerce Commission to be a fair return for all the railroads as a whole, it must split with the Government any earnings above that amount. If there were any guarantee of earnings in the Act, why haven't the railroads as a whole earned the amount "guaranteed" and, failing to earn it, as they have, why hasn't the Government made up the deficit to them? These few remarks on the subject of a guarantee show how fallacious are some of the arguments advanced against this clause of the Act by some public men who ought to know better. There is no excuse for such men to be misinformed.

The Labor Board created by the Act comes in for a lot of discussion pro and con. If the railroads want the Board and it does in fact tend to tranquilize conditions and prevent strikes, let us keep it, but personally I am not much in favor of continuing it. I believe in placing authority in the hands of the railroad executives and then holding them responsible for results.

To my mind, one of the most objectionable and dangerous trends of thought at this time is the idea of railroad consolidations, voluntary if possible but compulsory if necessary. It is true, the Transportation Act of 1920 does not require involuntary consolidations, but it does require the Interstate Commerce Commission to prepare a plan after which no consolidations not in consonance with that plan will be permissible. Unless the spread of this idea is checked the next step will be for Congress to pass a law requiring consolidations after a definite plan prepared by the Interstate Commerce Commission. There are numerous legal objections to consolidations. In the first place, the Act says that the plan to be prepared and adopted by the Interstate Commerce Commission must preserve existing competition. It is all right to take a broad view of the subject in projecting great consolidated systems on paper, but all traffic doesn't flow from competitive origin territory to competitive destination territory. Another objection to great consolidations is the difficulty of reaching the man higher up and getting prompt action on important matters. Naturally the authority of subordinates would be limited, and where we are accustomed to prompt decisions now, many matters would have to be referred to others for advice and authority to act.

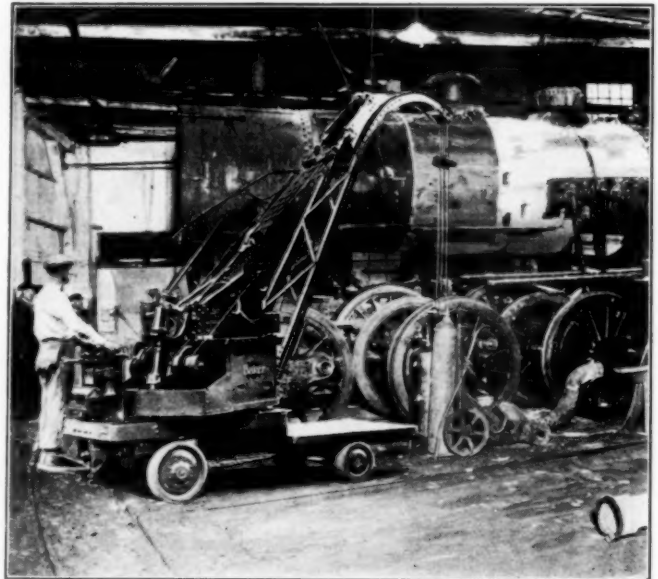
One of the most stressed reasons for desiring consolidations is the thought that it will enable the railroads to effect great economies and thereby result in a reduction of rates. No doubt some economies would result, but the virtual

consolidation of all the railroads into one system during the period of Federal control wasn't a shining example, if that was any criterion. A system can get so large as to be unwieldy and the close supervision inherent in smaller units is lost.

Crane for Enginehouses

THE LOCOMOTIVE TYPE CRANE, made by the Baker R. & L. Company, Cleveland, Ohio, has been completely redesigned for railroad use. The new crane, shown in the illustration, has a wide field of usefulness not only in enginehouses but in all railroad departments where heavy material must be handled without the aid of overhead traveling cranes. With an 8-ft. boom and 60-in. wheelbase the new crane may also be operated inside a standard box car and thus greatly reduce the number of laborers required for loading and unloading these cars.

For enginehouse use the new Baker crane can be provided with a standard 12-ft. or longer boom up to 19 ft. With the latter length a lift of 192 in. can be obtained at a 95-in. radius and the crane is therefore suitable for reaching



A Baker Locomotive Type Crane Speeds Heavy Repair Work in an Enginehouse

over the tops of locomotives and removing front doors, dome casings or covers, dry pipes, air compressors, or other parts high up on the locomotive which ordinarily require the effort of several men and more or less laborious work to remove or apply.

A short, auxiliary boom can be furnished when desired for working underneath the running boards, greatly facilitating the removal of heavy rods, crossheads, pistons, etc., which on modern locomotives have far outgrown the point where they can be readily put up by hand. When not in use this auxiliary boom can be folded up out of the way.

The special feature of this crane is that all of its movements are electrically driven with one motor for propelling the truck, a second for swiveling the crane and a third which drives the main hoist. The main hoist consists of two drums, one for lifting the hook and the other for racking the boom. Power is applied to either of these drums by means of magnetically-operated clutches.

The rated capacity of the crane is 3,000 lbs. at a 7-ft. radius, the hoisting speed at that load being 7 ft. per min. and the traveling speed 265 ft. per min.

General News Department

The sale of the Chicago, Peoria & St. Louis, which was set for January 16 has been further postponed pending action by the Supreme Court of Illinois on a writ of error asking review of the foreclosure decree of the Sangamon County Circuit Court.

The regular monthly meeting of the Car Foremen's Association of Chicago was held at the Great Northern hotel January 14, the meeting being devoted to a discussion of changes in the A. R. A. rules of interchange, effective January 1. Alfred Herbster, district general foreman of the New York Central and first vice-president of the association, presided.

Fred Lavis, consulting engineer, New York, has been selected to give a series of lectures at Princeton University on the Economics of Transportation and Railway Engineering. These lectures will include a consideration of world transportation, and the development of American interest in the foreign field, as well as an outline of the economics affecting railway design. The lectures will be given in January under the William P. Field Engineering Lectureship Foundation in the John C. Green School of Engineering.

Purchases and Stores Convention at Atlantic City

The general committee of Division VI, Purchases and Stores, of the American Railway Association, will hold its 1924 annual meeting in Atlantic City, N. J., on June 16-18. This meeting will coincide with the last half of the meeting of the Mechanical Division. The latter meeting will be held on June 11-18, as reported in the *Railway Age* of November 10, 1923.

An Abstract of New Railroad Laws

The Committee on Relations of Railway Operation to Legislation of the American Railway Association has issued a pamphlet of 333 pages containing abstracts of the bills introduced and laws enacted in the state legislatures in 1923 relating to railway operation. This is the first annual publication of such a summary. Forty-three states ran their legislative mills in 1923. All of the bills are shown in a single classified list, those which became laws being indicated by a note in the margin.

D. & H. Appeals Valuation

The Delaware & Hudson and its subsidiaries have appealed to the United States Supreme Court for a writ setting aside the Interstate Commerce Commission's tentative valuation of their properties. The bill had been dismissed in the lower court. Emphasis placed by the railroad on the point that the Interstate Commerce Commission has failed to report the original cost to date, because it cannot find that cost from the accounting records, and it is contended that that part of the law calling for a report of original cost can be complied with in other ways.

Long-Lived Enginemen

The locomotive engineman is as long lived as the average American in spite of his hazardous occupation, according to data published by the Metropolitan Life Insurance Company, based on figures compiled by the Locomotive Engineers' Mutual Life and Accident Insurance Association. The average engineer of 28 may count on living until he reaches the age of 69.

This is said to be the first time that a "life table" has been made from adequate data for a specific American industry. There has been a substantial decline in mortality [from all causes] among engineers during the past ten years. Between the ages of 31 and 55, the declines ranged from 32 to 44

per cent. The accident death rate has fallen from 318 per 100,000 in 1912, to 167 per 100,000 in 1922, showing a great improvement in safety provisions for employees. This accounts for a large part of the saving in mortality.

Offsetting the drop in the accident death rate, there was noted an increase in the mortality rate for organic heart disease, cerebral hemorrhage and apoplexy. Bright's disease showed a decrease of 36 per cent for locomotive engineers during a given period as compared with a decrease of 23 per cent for males in the general population.

A. R. A. Letter Ballots

The Transportation Division of the American Railway Association proposes to change Rule 16 of the code of per diem rules so as to allow 48 hours, instead of 24 hours, before an embargo shall go into effect on a connecting originating line; and Secretary J. E. Fairbanks has sent out a letter ballot calling for a vote on the proposal by each member of the association.

Secretary Fairbanks also calls for a vote on a proposed change in car service Rule 12, which would prohibit the placing of advertisements of any kind [by any person] on passenger or freight cars or locomotives.

Roads to Discuss Development of

Calumet Harbor in Chicago

Conferences between representatives of the City of Chicago and roads entering that city have been proposed by city officials for the purpose of determining upon joint action for the development of Calumet harbor, Chicago. Twenty-three railroads have been invited to participate in such discussions and have been sent copies of the proposal of the New York, Chicago & St. Louis to operate a belt line around the harbor in exchange for the expenditure of approximately \$600,000 in constructing part of the harbor. Three methods of developing the transportation facilities of the harbor are being considered by the City of Chicago. One is to agree with the proposal of the Nickel Plate; another is to agree to the construction of a belt line to be owned jointly by a group of the railroads in the vicinity; and the third is that the city itself should build the terminal and lease it to a railroad or a group of railroads.

More Budget Data

Since the information concerning the 1924 improvement programs of the railroads was compiled for publication in the *Railway Age* of January 5, page 14, information has been received from the Southern Pacific lines concerning their plans for 1924, involving the expenditure of \$10,640,000. This includes \$250,000 for classification yards at two points; \$475,000 for shop facilities at four locations; \$130,000 for new and improved tools and shop equipment and \$450,000 for 165 miles of new signaling. The sum of \$1,750,000 has been set aside for ballasting; \$750,000 for rail laying; \$350,000 for new bridges; \$175,000 for grade changes and realignment and \$250,000 for the extension of passing tracks. A total of \$5,212,000 has been included in the budget for the purchase of 10 locomotives, 2,000 freight cars, 40 caboose cars and 28 passenger cars. In addition to this new work, appropriations amounting to approximately \$850,000 have been carried over from 1923, including \$400,000 for shop facilities; \$100,000 for signals and interlocking and \$100,000 for the improvement of the New Orleans (La.) levee.

The statement to the effect that the Missouri-Kansas-Texas will expend \$570,000 for the purchase of locomotives during 1924, which appeared near the bottom of page 17 of the *Railway Age* of January 5, was incorrect to the extent that this road plans to spend this amount for improvements to locomotives rather than for the purchase of new locomotives.

Operating Statistics of Large Steam Roads—Selected Items for the Month of November, 1923,

| Region, road and year | Average miles of road operated | Train-miles | Locomotive-miles | | Car-miles | | Ton-miles (thousands) | | Average number of locomotives on line daily | | | |
|--|--------------------------------|-------------|----------------------|---------|--------------------|-----------------|--|------------------------------|---|------------------|--------------------------|--------|
| | | | Principal and helper | Light | Loaded (thousands) | Per cent loaded | Gross, Excluding locomotive and tender | Net, Revenue and non-revenue | Serv-ice-able | Un-serv-ice-able | Per cent unserv-ice-able | Stored |
| Northwestern Region: | | | | | | | | | | | | |
| Chi. & North Western.....1923 | 8,463 | 1,634,182 | 1,701,858 | 18,972 | 37,113 | 62.9 | 2,168,637 | 924,166 | 871 | 197 | 18.5 | 57 |
| 1922 | 8,394 | 1,679,626 | 1,737,576 | 26,866 | 36,072 | 66.3 | 2,046,103 | 922,913 | 771 | 265 | 25.6 | ... |
| Chi., Milw. & St. P.....1923 | 10,991 | 1,747,177 | 1,800,343 | 71,520 | 45,526 | 66.1 | 2,572,944 | 1,157,136 | 950 | 175 | 15.6 | 91 |
| 1922 | 11,027 | 1,918,741 | 1,971,678 | 79,007 | 46,126 | 62.6 | 2,748,670 | 1,270,717 | 840 | 226 | 21.2 | 13 |
| Chi., St. P., Minneap. & Om.1923 | 1,726 | 332,985 | 357,105 | 16,692 | 6,485 | 67.0 | 356,296 | 143,882 | 163 | 49 | 23.1 | 5 |
| 1922 | 1,726 | 321,000 | 338,672 | 14,648 | 5,812 | 67.3 | 321,913 | 139,740 | 146 | 64 | 30.3 | 3 |
| Great Western.....1923 | 8,251 | 1,167,282 | 1,211,768 | 56,649 | 33,669 | 63.0 | 2,090,832 | 939,155 | 653 | 108 | 14.2 | 53 |
| 1922 | 8,255 | 1,101,470 | 1,136,001 | 51,042 | 29,266 | 66.0 | 1,730,772 | 827,875 | 555 | 212 | 27.7 | 7 |
| Minneap., St. P., & S. Ste. M.1923 | 4,374 | 541,888 | 550,713 | 9,067 | 12,723 | 70.4 | 662,153 | 309,133 | 292 | 51 | 14.8 | 5 |
| 1922 | 4,355 | 705,671 | 719,292 | 14,701 | 15,005 | 66.1 | 802,186 | 371,044 | 286 | 63 | 18.2 | ... |
| Northern Pacific.....1923 | 6,415 | 981,061 | 1,031,105 | 56,346 | 28,385 | 65.5 | 1,685,936 | 744,065 | 582 | 152 | 20.7 | 41 |
| 1922 | 6,389 | 990,881 | 1,030,492 | 53,428 | 25,561 | 65.1 | 1,531,615 | 707,025 | 563 | 155 | 21.6 | 27 |
| Oreg.-Wash. R. R. & Nav...1923 | 2,180 | 245,492 | 263,179 | 27,475 | 6,112 | 65.5 | 364,666 | 159,433 | 152 | 23 | 13.0 | 4 |
| 1922 | 2,143 | 229,830 | 255,828 | 34,869 | 5,122 | 69.8 | 300,716 | 144,099 | 128 | 40 | 23.9 | ... |
| Central Western Region: | | | | | | | | | | | | |
| Atch., Top. & S. Fe.....1923 | 9,905 | 1,931,382 | 2,054,276 | 107,665 | 56,290 | 62.9 | 3,250,450 | 1,105,427 | 804 | 177 | 18.1 | 45 |
| 1922 | 9,798 | 2,069,229 | 2,163,609 | 113,852 | 56,983 | 64.5 | 3,235,822 | 1,192,198 | 739 | 227 | 23.5 | 13 |
| Chicago & Alton.....1923 | 1,010 | 347,270 | 352,428 | 4,875 | 8,139 | 62.3 | 494,962 | 212,947 | 125 | 32 | 20.6 | 12 |
| 1922 | 1,010 | 319,432 | 324,037 | 6,849 | 7,751 | 71.2 | 443,889 | 196,201 | 106 | 41 | 28.0 | 1 |
| Chi., Burl. & Quincy.....1923 | 9,338 | 1,733,190 | 1,801,796 | 79,046 | 46,924 | 62.8 | 2,794,262 | 1,260,548 | 810 | 200 | 19.8 | 24 |
| 1922 | 9,326 | 1,827,271 | 1,909,139 | 94,980 | 49,639 | 63.0 | 3,046,678 | 1,455,747 | 767 | 239 | 23.7 | 1 |
| Chi., Rock I. & Pacific.....1923 | 7,635 | 1,529,842 | 1,560,989 | 19,810 | 33,931 | 65.4 | 1,894,730 | 800,938 | 539 | 204 | 27.4 | 5 |
| 1922 | 7,635 | 1,320,612 | 1,344,749 | 16,560 | 28,818 | 70.9 | 1,538,223 | 701,447 | 515 | 195 | 27.5 | 38 |
| Denver & R. G. Wn.....1923 | 2,593 | 330,832 | 416,602 | 67,939 | 6,882 | 68.2 | 388,458 | 178,044 | 258 | 77 | 23.0 | 20 |
| 1922 | 2,593 | 322,246 | 392,013 | 75,484 | 6,562 | 66.4 | 388,412 | 182,359 | 240 | 117 | 32.7 | ... |
| Oregon Short Line.....1923 | 2,367 | 494,827 | 515,880 | 30,782 | 11,042 | 59.2 | 715,160 | 289,821 | 213 | 31 | 12.6 | 28 |
| 1922 | 2,367 | 449,559 | 467,229 | 31,141 | 9,255 | 58.1 | 620,490 | 269,135 | 174 | 54 | 23.8 | 4 |
| Sou. Pac. (Pac. System)....1923 | 6,942 | 1,488,227 | 1,674,924 | 282,309 | 42,947 | 65.9 | 2,486,126 | 1,000,434 | 652 | 140 | 17.7 | 5 |
| 1922 | 6,924 | 1,215,195 | 1,373,453 | 225,180 | 35,793 | 71.9 | 1,941,632 | 842,168 | 603 | 208 | 25.7 | 6 |
| Union Pacific.....1923 | 3,709 | 1,391,931 | 1,436,683 | 94,602 | 42,486 | 62.8 | 2,512,163 | 934,780 | 509 | 64 | 11.2 | 91 |
| 1922 | 3,707 | 1,481,832 | 1,522,369 | 92,442 | 37,766 | 67.2 | 2,159,595 | 906,399 | 458 | 128 | 21.8 | 19 |
| Southwestern Region: | | | | | | | | | | | | |
| Gulf, Col. & S. Fe.....1923 | 1,897 | 277,661 | 286,429 | 11,300 | 7,436 | 64.7 | 422,619 | 178,652 | 131 | 29 | 18.1 | 3 |
| 1922 | 1,895 | 276,239 | 283,632 | 6,207 | 7,422 | 64.5 | 418,433 | 178,225 | 115 | 34 | 22.6 | 2 |
| Mo.-Kans.-Tex.1923 | 1,801 | 282,636 | 283,387 | 10,427 | 8,523 | 62.0 | 483,932 | 192,606 | 159 | 46 | 22.6 | 63 |
| 1922 | 1,987 | 308,915 | 309,955 | 6,792 | 8,524 | 66.3 | 468,148 | 199,288 | 105 | 94 | 47.2 | 5 |
| Mo.-Kans.-Tex. of Tex.....1923 | 1,389 | 189,362 | 194,331 | 2,748 | 4,777 | 63.2 | 262,019 | 100,132 | 89 | 35 | 28.1 | 9 |
| 1922 | 1,738 | 223,283 | 228,121 | 3,804 | 4,727 | 69.7 | 248,000 | 103,680 | 78 | 72 | 48.0 | 4 |
| Missouri Pacific.....1923 | 7,305 | 1,235,679 | 1,244,298 | 40,821 | 31,274 | 69.2 | 1,731,021 | 780,028 | 451 | 161 | 26.3 | ... |
| 1922 | 7,111 | 965,310 | 973,375 | 32,320 | 23,609 | 74.4 | 1,284,243 | 614,043 | 367 | 218 | 37.3 | ... |
| St. Louis-San Francisco...1923 | 4,683 | 876,941 | 892,172 | 16,732 | 17,348 | 65.8 | 980,341 | 421,748 | 407 | 88 | 17.7 | 8 |
| 1922 | 4,683 | 747,916 | 757,084 | 15,702 | 13,427 | 69.0 | 738,558 | 333,281 | 322 | 134 | 29.4 | ... |
| Southern Pacific Lines | | | | | | | | | | | | |
| (in Tex. and La.) ¹1923 | 3,710 | 704,553 | 707,499 | 6,143 | 16,407 | 69.8 | 913,388 | 405,927 | 237 | 58 | 19.7 | 7 |
| 1922 | 3,710 | 643,568 | 646,959 | 8,340 | 14,543 | 67.4 | 801,013 | 349,056 | 196 | 102 | 34.1 | 2 |
| Texas & Pacific.....1923 | 1,953 | 318,869 | 318,869 | 3,063 | 7,632 | 68.1 | 413,489 | 170,419 | 173 | 31 | 15.3 | 13 |
| 1922 | 1,953 | 286,518 | 286,525 | 7,061 | 7,206 | 73.5 | 370,092 | 161,037 | 116 | 94 | 44.7 | 1 |
| New England Region: | | | | | | | | | | | | |
| Boston & Albany.....1923 | 394 | 287,768 | 309,421 | 35,506 | 5,762 | 68.8 | 295,149 | 120,021 | 114 | 30 | 21.1 | ... |
| 1922 | 394 | 312,857 | 333,900 | 35,442 | 5,864 | 69.8 | 308,266 | 130,402 | 113 | 28 | 19.6 | ... |
| Boston & Maine.....1923 | 2,455 | 593,400 | 655,751 | 61,291 | 13,425 | 69.2 | 695,688 | 283,937 | 338 | 139 | 29.1 | 13 |
| 1922 | 2,455 | 648,098 | 721,700 | 66,397 | 13,875 | 70.8 | 716,318 | 300,274 | 314 | 141 | 31.1 | 2 |
| N. Y., New H. & Hartf....1923 | 1,974 | 515,826 | 541,924 | 36,510 | 12,693 | 71.1 | 634,810 | 267,543 | 302 | 75 | 19.8 | 7 |
| 1922 | 1,974 | 486,722 | 522,967 | 33,195 | 12,285 | 71.7 | 624,085 | 273,386 | 282 | 95 | 25.2 | 2 |
| Great Lakes Region: | | | | | | | | | | | | |
| Delaware & Hudson.....1923 | 886 | 376,146 | 523,720 | 50,519 | 10,433 | 67.2 | 665,775 | 343,957 | 252 | 47 | 15.8 | 43 |
| 1922 | 887 | 368,141 | 524,253 | 38,965 | 9,443 | 63.9 | 634,752 | 326,302 | 248 | 55 | 18.2 | 55 |
| Del., Lack. & Western....1923 | 993 | 625,732 | 755,318 | 116,935 | 19,190 | 65.6 | 1,102,468 | 490,811 | 287 | 68 | 19.2 | 4 |
| 1922 | 994 | 504,976 | 620,789 | 118,212 | 14,292 | 65.5 | 872,133 | 422,102 | 274 | 110 | 28.6 | 5 |
| Erie (inc. Chi. & Erie)....1923 | 2,309 | 1,075,547 | 1,214,223 | 78,165 | 37,808 | 66.2 | 2,245,209 | 1,010,183 | 664 | 138 | 17.2 | 91 |
| 1922 | 2,309 | 1,100,290 | 1,265,791 | 50,118 | 38,631 | 70.0 | 2,271,720 | 1,086,324 | 496 | 265 | 34.8 | ... |
| Lehigh Valley.....1923 | 1,317 | 684,470 | 754,895 | 86,038 | 19,281 | 64.7 | 1,179,241 | 562,369 | 419 | 111 | 20.9 | 19 |
| 1922 | 1,317 | 466,854 | 519,812 | 66,193 | 12,477 | 70.3 | 757,039 | 390,551 | 293 | 253 | 46.3 | 5 |
| Michigan Central.....1923 | 1,827 | 607,665 | 616,852 | 22,735 | 18,703 | 67.1 | 985,231 | 392,564 | 328 | 61 | 15.6 | 42 |
| 1922 | 1,827 | 578,205 | 589,947 | 22,460 | 19,615 | 71.4 | 1,015,639 | 438,250 | 280 | 118 | 29.6 | 16 |
| New York Central.....1923 | 6,469 | 2,249,958 | 2,547,266 | 188,027 | 78,556 | 62.5 | 4,764,841 | 2,070,603 | 1,328 | 358 | 21.2 | 322 |
| 1922 | 6,468 | 2,555,259 | 2,923,462 | 217,251 | 88,558 | 64.3 | 5,421,912 | 2,537,112 | 1,118 | 635 | 36.2 | 9 |
| New York, Chi. & St. L...1923 | 1,670 | 761,966 | 771,774 | 3,620 | 20,669 | 68.4 | 1,104,253 | 454,389 | 220 | 66 | 22.9 | 8 |
| 1922 | 1,670 | 745,443 | 755,654 | 4,043 | 19,750 | 74.2 | 1,035,717 | 462,426 | 213 | 87 | 29.1 | 9 |
| Pere Marquette.....1923 | 2,197 | 435,396 | 455,312 | 8,609 | 10,723 | 68.3 | 587,705 | 283,101 | 197 | 25 | 11.3 | 8 |
| 1922 | 2,182 | 368,527 | 385,609 | 6,976 | 9,307 | 75.3 | 491,391 | 244,239 | 154 | 54 | 26.1 | ... |
| Pitts. & Lake Erie.....1923 | 231 | 135,195 | 143,680 | 1,262 | 4,824 | 61.6 | 367,222 | 214,136 | 72 | 16 | 17.8 | 14 |
| 1922 | 228 | 167,535 | 172,271 | 766 | 6,023 | 65.5 | 440,854 | 258,973 | 57 | 21 | 26.6 | ... |
| Wabash1923 | 2,418 | 706,455 | 748,649 | 13,985 | 20,071 | 71.1 | 1,068,037 | 444,892 | 280 | 49 | 14.9 | ... |
| 1922 | 2,418 | 515,786 | 542,714 | 7,524 | 16,276 | 78.5 | 825,587 | 388,213 | 244 | 102 | 29.4 | 1 |
| Ohio-Indiana-Allegheny Region: | | | | | | | | | | | | |
| Baltimore & Ohio.....1923 | 5,212 | 2,038,819 | 2,335,229 | 200,402 | 55,849 | 63.6 | 3,504,780 | 1,703,024 | 1,080 | 202 | 15.8 | 129 |
| 1922 | 5,235 | 2,076,002 | 2,408,433 | 158,186 | 58,384 | 66.0 | 3,579,900 | 1,805,709 | 1,056 | 287 | 21.4 | 41 |
| Central of New Jersey....1923 | 694 | 279,773 | 308,980 | 41,175 | 6,955 | 62.5 | 438,172 | 210,292 | 231 | 48 | 17.3 | 27 |
| 1922 | 692 | 323,041 | 353,663 | 41,849 | 7,085 | 61.3 | 468,648 | 234,119 | | | | |

Compared with November, 1922, for Roads with Annual Operating Revenues Above \$25,000,000.*

| Region, road and year | Average number of freight cars on line daily | | | | Gross tons per train, excluding locomotive and tender | Net tons per train | Net tons per loaded car | Net ton-miles per car-day | Car-miles per car-day | Net ton-miles per mile of road per day | Pounds of coal per 1,000 gross ton-miles including locomotive and tender | Passenger service | | | |
|---|--|---------|---------|--------------------------|---|--------------------|-------------------------|---------------------------|-----------------------|--|--|-------------------|---------------------------|------------|---------|
| | Home | Foreign | Total | Per cent un-service-able | | | | | | | | Train-miles | Passenger-train car-miles | | |
| Northwestern Region: | | | | | | | | | | | | | | | |
| Chi. & North Western..... | 1923 | 42,887 | 33,821 | 76,708 | 7.2 | 1,327 | 566 | 24.9 | 402 | 25.6 | 3,640 | 161 | 1,553,252 | 9,778,900 | |
| | 1922 | 32,270 | 36,883 | 69,153 | 7.8 | 1,218 | 549 | 25.6 | 445 | 26.2 | 3,665 | 184 | 1,403,330 | 9,008,958 | |
| Chi., Milw. & St. P..... | 1923 | 48,646 | 29,295 | 77,941 | 6.4 | 1,473 | 662 | 25.4 | 495 | 29.5 | 3,509 | 156 | 1,449,765 | 8,657,175 | |
| | 1922 | 36,554 | 36,000 | 72,554 | 10.5 | 1,433 | 662 | 27.5 | 584 | 33.9 | 3,841 | 171 | 1,428,040 | 8,667,545 | |
| Chi., St. P., Minneap. & Om. | 1923 | 3,461 | 9,776 | 13,237 | 8.3 | 1,123 | 432 | 22.2 | 362 | 24.4 | 2,778 | 170 | 302,830 | 1,709,380 | |
| | 1922 | 2,152 | 8,426 | 10,578 | 9.4 | 1,003 | 435 | 24.0 | 440 | 27.2 | 2,698 | 189 | 273,653 | 1,674,212 | |
| Great Western..... | 1923 | 43,983 | 13,743 | 57,726 | 7.5 | 1,791 | 805 | 27.9 | 542 | 30.8 | 3,794 | 142 | 945,656 | 5,775,409 | |
| | 1922 | 33,869 | 10,468 | 44,337 | 7.2 | 1,571 | 752 | 28.3 | 622 | 33.3 | 3,343 | 183 | 932,533 | 5,661,097 | |
| Minneap., St. P., & S. Ste. M. | 1923 | 18,466 | 7,166 | 25,632 | 6.4 | 821 | 570 | 24.2 | 402 | 23.5 | 2,356 | 127 | 425,486 | 2,414,884 | |
| | 1922 | 15,052 | 8,461 | 23,513 | 7.1 | 24 | 526 | 24.7 | 526 | 32.2 | 2,840 | 139 | 420,781 | 2,443,965 | |
| Northern Pacific..... | 1923 | 30,816 | 15,332 | 46,148 | 6.1 | 850 | 758 | 26.2 | 537 | 31.3 | 3,866 | 131 | 779,777 | 5,189,226 | |
| | 1922 | 24,008 | 9,026 | 33,034 | 9.5 | 1,546 | 714 | 27.7 | 713 | 39.6 | 3,689 | 143 | 776,843 | 5,098,694 | |
| Oreg.-Wash. R. R. & Nav. | 1923 | 6,445 | 5,513 | 11,958 | 5.2 | 1,485 | 649 | 26.1 | 444 | 26.0 | 2,438 | 208 | 241,803 | 1,617,866 | |
| | 1922 | 3,639 | 3,135 | 6,774 | 3.3 | 1,308 | 627 | 28.1 | 709 | 36.1 | 2,241 | 260 | 248,911 | 1,639,344 | |
| Central Western Region: | | | | | | | | | | | | | | | |
| Atch., Top. & S. Fe..... | 1923 | 44,964 | 19,955 | 64,919 | 5.1 | 1,845 | 572 | 19.6 | 568 | 45.9 | 3,720 | 145 | 1,725,754 | 13,673,088 | |
| | 1922 | 36,605 | 30,655 | 67,260 | 4.5 | 65 | 576 | 20.9 | 591 | 43.8 | 4,056 | 162 | 1,689,677 | 13,253,568 | |
| Chicago & Alton..... | 1923 | 7,329 | 7,790 | 15,119 | 6.3 | 1,425 | 613 | 26.2 | 470 | 28.8 | 7,026 | 163 | 284,790 | 1,726,851 | |
| | 1922 | 5,877 | 9,267 | 15,144 | 8.6 | 1,390 | 614 | 25.3 | 432 | 24.0 | 6,474 | 209 | 256,776 | 1,537,199 | |
| Chi., Burl. & Quincy..... | 1923 | 44,073 | 28,153 | 72,226 | 4.8 | 1,612 | 727 | 26.9 | 582 | 34.5 | 4,500 | 176 | 1,448,639 | 9,398,666 | |
| | 1922 | 34,388 | 37,001 | 71,389 | 6.9 | 96 | 797 | 29.7 | 680 | 36.4 | 5,203 | 181 | 1,433,475 | 9,319,220 | |
| Chi., Rock I. & Pacific..... | 1923 | 26,943 | 30,557 | 57,500 | 7.0 | 3,204 | 524 | 23.6 | 464 | 30.1 | 3,497 | 180 | 1,225,784 | 7,154,182 | |
| | 1922 | 19,961 | 22,948 | 42,909 | 10.9 | 40 | 531 | 24.3 | 545 | 31.6 | 3,062 | 201 | 1,237,197 | 7,046,652 | |
| Denver & R. G. Wn..... | 1923 | 12,394 | 5,654 | 18,048 | 4.9 | 2,581 | 538 | 25.9 | 329 | 18.6 | 2,289 | 254 | 220,408 | 1,528,229 | |
| | 1922 | 10,284 | 6,142 | 16,426 | 9.9 | 376 | 566 | 27.8 | 370 | 20.0 | 2,344 | 276 | 220,542 | 1,535,405 | |
| Oregon Short Line..... | 1923 | 8,295 | 6,262 | 14,557 | 3.9 | 1,445 | 586 | 26.2 | 664 | 42.7 | 4,082 | 159 | 267,827 | 1,976,956 | |
| | 1922 | 5,751 | 5,526 | 11,277 | 5.3 | 1,380 | 599 | 29.1 | 796 | 47.1 | 3,790 | 169 | 274,917 | 1,955,199 | |
| Sou. Pac. (Pac. System)..... | 1923 | 20,169 | 28,090 | 48,259 | 4.5 | 325 | 672 | 23.3 | 691 | 44.8 | 4,804 | 148 | 1,423,682 | 11,459,853 | |
| | 1922 | 17,308 | 18,973 | 36,281 | 5.8 | 1,598 | 693 | 23.5 | 774 | 45.6 | 4,054 | 159 | 1,299,280 | 10,681,784 | |
| Union Pacific..... | 1923 | 15,479 | 13,280 | 28,759 | 7.7 | 1,805 | 672 | 22.0 | 1,083 | 78.4 | 8,402 | 148 | 821,514 | 6,755,274 | |
| | 1922 | 11,642 | 16,357 | 27,999 | 4.9 | 33 | 612 | 24.0 | 1,079 | 66.9 | 8,149 | 186 | 836,769 | 6,832,959 | |
| Southwestern Region: | | | | | | | | | | | | | | | |
| Gulf, Col. & S. Fe..... | 1923 | 7,881 | 5,720 | 13,601 | 3.2 | 284 | 522 | 24.6 | 438 | 28.2 | 3,139 | 136 | 190,429 | 1,199,417 | |
| | 1922 | 5,554 | 7,071 | 12,625 | 3.7 | 77 | 515 | 24.0 | 471 | 30.4 | 3,136 | 151 | 192,602 | 1,150,291 | |
| Mo.-Kans.-Tex. | 1923 | 8,490 | 7,442 | 15,932 | 6.0 | 2,512 | 681 | 22.6 | 403 | 28.8 | 3,565 | 134 | 264,698 | 1,911,289 | |
| | 1922 | 7,084 | 11,833 | 18,917 | 7.2 | 1,515 | 645 | 23.4 | 351 | 22.6 | 3,342 | 163 | 267,246 | 1,978,699 | |
| Mo.-Kans.-Tex. of Tex..... | 1923 | 266 | 11,639 | 11,905 | 12.7 | 2,828 | 529 | 21.0 | 280 | 21.2 | 2,402 | 153 | 244,111 | 1,536,129 | |
| | 1922 | 350 | 12,188 | 12,538 | 8.7 | 1,111 | 454 | 21.9 | 276 | 18.0 | 1,988 | 191 | 207,067 | 1,395,213 | |
| Missouri Pacific..... | 1923 | 21,682 | 27,618 | 49,300 | 6.4 | 1,232 | 631 | 24.9 | 527 | 30.5 | 3,559 | 159 | 1,030,592 | 5,902,835 | |
| | 1922 | 19,471 | 34,769 | 54,200 | 8.2 | 1,330 | 636 | 26.0 | 378 | 19.5 | 2,879 | 182 | 929,550 | 5,399,929 | |
| St. Louis-San Francisco..... | 1923 | 15,360 | 16,628 | 31,988 | 4.5 | 1,118 | 481 | 24.3 | 440 | 27.5 | 3,002 | 188 | 742,416 | 4,388,954 | |
| | 1922 | 12,828 | 22,832 | 35,660 | 6.8 | 987 | 446 | 24.8 | 312 | 18.2 | 2,372 | 231 | 682,757 | 3,856,148 | |
| Southern Pacific Lines (in Tex. and La.) ¹ | 1923 | 6,432 | 18,935 | 25,367 | 3.7 | 400 | 1,296 | 24.7 | 533 | 30.9 | 3,647 | 130 | 523,543 | 3,658,944 | |
| | 1922 | 5,624 | 18,090 | 23,714 | 6.2 | 1,245 | 542 | 24.0 | 491 | 30.3 | 3,136 | 145 | 527,723 | 3,506,976 | |
| Texas & Pacific..... | 1923 | 4,040 | 9,595 | 13,635 | 7.1 | 1,297 | 534 | 22.3 | 417 | 27.4 | 2,909 | 153 | 274,658 | 1,851,458 | |
| | 1922 | 3,922 | 12,124 | 16,046 | 12.4 | 1,292 | 562 | 22.4 | 335 | 20.4 | 2,750 | 189 | 279,732 | 1,800,091 | |
| New England Region: | | | | | | | | | | | | | | | |
| Boston & Albany..... | 1923 | 1,869 | 6,935 | 8,804 | 3.2 | 1,026 | 417 | 20.8 | 454 | 31.7 | 10,156 | 198 | 302,057 | 1,995,590 | |
| | 1922 | 1,759 | 7,696 | 9,455 | 3.6 | 985 | 417 | 22.2 | 460 | 29.6 | 11,034 | 233 | 299,218 | 1,896,333 | |
| Boston & Maine..... | 1923 | 13,474 | 19,709 | 33,183 | 11.4 | 1,172 | 478 | 21.1 | 285 | 19.5 | 3,855 | 165 | 810,030 | 4,347,933 | |
| | 1922 | 12,720 | 24,113 | 36,833 | 12.2 | 1,105 | 463 | 21.6 | 272 | 17.7 | 4,077 | 185 | 795,887 | 4,290,974 | |
| N. Y., New H. & Hartf..... | 1923 | 18,957 | 19,243 | 38,200 | 19.2 | 1,231 | 519 | 21.1 | 233 | 15.6 | 4,517 | 169 | 1,021,862 | 6,622,932 | |
| | 1922 | 16,854 | 34,232 | 51,086 | 17.8 | 1,282 | 562 | 22.3 | 178 | 11.2 | 4,617 | 197 | 992,979 | 6,357,100 | |
| Great Lakes Region: | | | | | | | | | | | | | | | |
| Delaware & Hudson..... | 1923 | 8,670 | 7,075 | 15,745 | 5.1 | 1,770 | 914 | 33.0 | 728 | 32.9 | 12,935 | 205 | 190,945 | 1,009,065 | |
| | 1922 | 8,268 | 10,474 | 18,742 | 7.0 | 1,724 | 886 | 34.6 | 580 | 26.3 | 12,263 | 228 | 187,130 | 972,961 | |
| Del., Lack. & Western..... | 1923 | 13,701 | 12,761 | 26,462 | 3.5 | 1,762 | 784 | 25.6 | 618 | 36.8 | 16,475 | 182 | 478,459 | 3,521,155 | |
| | 1922 | 10,838 | 13,080 | 23,918 | 5.6 | 54 | 1,727 | 36.9 | 588 | 30.4 | 14,154 | 216 | 471,424 | 3,392,582 | |
| Erie (inc. Chi. & Erie)..... | 1923 | 24,148 | 24,218 | 48,366 | 6.9 | 2,088 | 939 | 26.7 | 696 | 39.3 | 14,581 | 139 | 651,551 | 5,098,087 | |
| | 1922 | 21,940 | 38,782 | 60,722 | 10.3 | 2,065 | 987 | 28.1 | 596 | 30.3 | 15,680 | 154 | 563,350 | 4,079,393 | |
| Lehigh Valley..... | 1923 | 26,158 | 13,997 | 40,155 | 5.0 | 1,723 | 822 | 29.2 | 549 | 29.1 | 14,235 | 176 | 339,236 | 2,628,856 | |
| | 1922 | 22,633 | 18,456 | 41,089 | 6.7 | 1,622 | 837 | 31.3 | 317 | 14.4 | 9,887 | 217 | 338,059 | 2,601,077 | |
| Michigan Central..... | 1923 | 9,748 | 19,951 | 29,699 | 5.0 | 1,621 | 646 | 21.0 | 441 | 31.3 | 7,164 | 138 | 601,217 | 5,339,590 | |
| | 1922 | 7,352 | 20,288 | 27,640 | 7.1 | 1,757 | 758 | 22.3 | 529 | 33.1 | 7,998 | 136 | 557,106 | 5,196,758 | |
| New York Central..... | 1923 | 51,919 | 88,829 | 140,748 | 6.9 | 2,279 | 1,118 | 32.6 | 490 | 29.8 | 10,670 | 129 | 2,524,137 | 20,718,867 | |
| | 1922 | 52,811 | 106,649 | 159,460 | 10.5 | 1,222 | 993 | 28.6 | 530 | 28.8 | 13,040 | 133 | 2,399,209 | 19,313,193 | |
| New York, Chi. & St. L..... | 1923 | 7,662 | 12,662 | 20,324 | 6.6 | 1,449 | 596 | 22.0 | 745 | 49.5 | 9,072 | 147 | 210,173 | 1,087,637 | |
| | 1922 | 3,550 | 16,457 | 20,007 | 10.7 | 1,389 | 620 | 23.4 | 770 | 44.4 | 9,233 | 150 | 208,610 | 1,020,892 | |
| Pere Marquette..... | 1923 | 6,912 | 14,627 | 21,539 | 3.4 | 1,350 | 650 | 26.4 | 438 | 24.3 | 4,295 | 149 | 262,041 | 1,382,582 | |
| | 1922 | 5,816 | 17,144 | 22,960 | 9.8 | 1,333 | 653 | 26.2 | 355 | 18.0 | 3,732 | 163 | 254,723 | 1,274,107 | |
| Pitts. & Lake Erie..... | 1923 | 7,876 | 11,745 | 19,621 | 3.1 | 398 | 2,716 | 1,584 | 44.4 | 364 | 13.3 | 30,872 | 83 | 116,364 | 598,023 |
| | 1922 | 8,860 | 12,543 | 21,403 | 25.3 | 2,631 | 1,546 | 43.0 | 403 | 14.3 | 37,875 | 76 | 112,189 | | |

Railway Contractors to Meet in Chicago

The Associated General Contractors of America will hold their fifth annual meeting at Chicago on January 21-24. The convention will be held during the week immediately following the annual sessions of the American Road Builders' Association and the road show and a joint meeting of this body with the executive board of the contractors' organization will be held on January 17. The keynote of the contractors' convention will be, "Cut Construction Costs" and the discussions will include means to utilize weather conditions favorable to construction operations, increase the volume of winter building and the storage of building materials during the periods of the year when construction is at its lowest ebb.

American Engineering Council

James Hartness, former governor of Vermont, and past president of the American Society of Mechanical Engineers, was elected president of the American Engineering Council to succeed Dean Mortimer E. Cooley of the University of Michigan, at the annual meeting of the council, which was held in Washington, D. C., January 10 and 11. The vice-presidents elected were L. P. Alford, New York, and Charles R. Gow, Boston, Mass. The remaining vice-presidents are Calvert Townley, New York, and Gardner S. Williams, Ann Arbor, Mich. Dr. H. E. Howe, Washington, was re-elected treasurer, and L. W. Wallace, Washington, was again chosen executive secretary.

A feature of the Washington meeting was the national public works conference held on January 9, and attended by representatives of 63 engineering and allied organizations. The conference adopted resolutions favoring a reorganization of federal departments.

Cost of N. Y. C. Electrification and Grade Crossing Elimination in New York

The Transit Commission of New York has analyzed the cost of the proposed rebuilding of the freight line of the New York Central on the west side of Manhattan Island and places the total at \$97,000,000 in all. The cost of the work is broadly divided as follows:

| | |
|--|--------------|
| Electrification | \$17,000,000 |
| Changes not involving electrification nor elimination of crossings | 35,000,000 |
| Elimination of grade crossings | 45,000,000 |

In the case of the last item the cost would be divided as follows:

| | |
|------------------------|--------------|
| (a) Railroad 50% | \$22,500,000 |
| (b) City 25% | 11,250,000 |
| (c) State 25% | 11,250,000 |

There is, however, in this item a charge of about \$5,000,000 for additional land for new right of way which may be questioned by the Transit Commission. If the Transit Commission's contention is correct the result would be that the railroad's charge for elimination of grade crossings would be increased by \$2,500,000 and the state and city's charge therefor would be decreased each by \$1,250,000.

Assuming that the charge for land is divided between the railroad, the state and the city, the total estimate of \$97,000,000 would be divided as follows:

| | |
|--------------------------------------|--------------|
| State | \$11,250,000 |
| City | 11,250,000 |
| Railroad—Electrification | \$17,000,000 |
| Other changes | 35,000,000 |
| Elimination of grade crossings | 22,500,000 |
| Total | \$97,000,000 |

Assuming that the charge for land remains wholly on the railroad, the division of cost would be as follows:

| | |
|--------------------------------------|--------------|
| City | \$10,000,000 |
| State | 10,000,000 |
| Railroad—Electrification | \$17,000,000 |
| Other changes | 40,000,000 |
| Elimination of grade crossings | 20,000,000 |
| Total | \$97,000,000 |

These figures are based on data presented by the railroad company which have been examined by the Transit Commission at its hearings on the subject and by its engineers in private studies.

Traffic News

The Union Station at St. Louis, Mo., has abolished the practice of announcing the departure of trains and the number of the track on which they leave the station and will rely on posted schedules, an information bureau and the display of signs at the train gates to inform passengers where they may find their trains.

The Railroad Superintendents' Association of the St. Louis-East St. Louis district, on January 11, elected the following officers: President, T. H. Pindell, general manager of the Alton & Southern, East St. Louis; vice-president, B. B. Tolson, superintendent of the Mobile & Ohio, Murphysboro, Ill.; and secretary, J. Rothschild, Union Station, St. Louis, Mo.

At the annual meeting of the Traffic Club of Kalamazoo, Mich., on December 20, the following officers were elected: President, Guy E. Hazen, traffic manager of the Bryant Paper Company; vice-president, Andrew H. Bock, freight agent of the New York Central; treasurer, Reuben J. Lucas, Sutherland Paper Company; secretary, Charles H. Winslow, traffic manager of the Chamber of Commerce and governor, L. E. Tiefenthal, Kalamazoo Stationery Company.

The Freight Traffic Red Book, 150 Lafayette street, New York City, has appeared for 1924. This useful annual handbook for shippers and traffic students needs no introduction to the readers of the *Railway Age*. Its carefully prepared explanations of freight tariffs and all sorts of freight traffic practices, the Interstate Commerce law and other legal requirements, standard forms, etc., are now expanded to 608 pages; and there is a large colored map of the United States, showing the boundaries of traffic territories.

The Canadian Pacific has been granted concessions by the citizens of Victoria, B. C., including free water for an amusement center which the railroad will build, remission of taxes on the amusement center for 20 years and the remission of part of the taxes on and the granting of free water for the existing Empress hotel, in return for which the railway has agreed to build an amusement center on city property adjoining the Empress hotel, which will include a heated salt water swimming pool, dancing pavilion, sea water bath, picture gallery, etc., involving a total investment of \$200,000, and to maintain the park for a period of 20 years. At the end of this period the amusement center will be given to the city or new arrangements will be made for its maintenance by the railway company.

November Ton-Miles Break Records

Freight traffic on the railroads in November was the heaviest for any November in history, according to reports filed by the carriers with the Bureau of Railway Economics. This amounted to 38,132,676,000 net ton miles, exceeding by 74,803,000 or one-fifth of one per cent the figures for same month the year before, which up to that time had been the heaviest November on record. Compared with November, 1920, it was an increase of more than 2 per cent.

In the Eastern District, there was a decrease of 2.2 per cent while the Southern was virtually identical; Western 3.6 per cent increase.

Freight traffic for the first 11 months in 1923 showed an increase of nearly 25 per cent over the corresponding period the previous year with increases of more than 30 per cent in the Eastern District, 22 per cent in the Southern, and 18 per cent in the Western.

At INDIANAPOLIS, IND., on January 14, inspectors of the Interstate Commerce Commission ordered out of service a large number of locomotives of the Pennsylvania Railroad, said to be unfit for service; and, according to press dispatches, several important passenger trains left Indianapolis one or two hours, or more, behind time because of delay in securing locomotives for them.

Commission and Court News

Interstate Commerce Commission

Railway Mail Pay Rates of New England

Railroad Lines to Be Increased

The Interstate Commerce Commission upon re-examination of the facts and circumstances surrounding the transportation of mail by New England railroad carriers has found the present rates of pay inadequate and prescribed what it considers reasonable rates for the future for the different units of service. Upon the basis of the service authorized July 1, 1921, the report says, the increased rates found reasonable would have increased the aggregate mail pay of eight New England lines for that authorization by \$1,192,990, or about 35 per cent. After the commission's decision in the mail pay case in December, 1919, the New England roads, except the Canadian Pacific and the Grand Trunk, filed an application for higher rates than those allowed the railroads generally. The commission ordered the case reopened with respect to the petitioning lines, and an extensive investigation has been conducted, during which data with respect to actual operations during a representative period were separately analyzed by the carriers and by Post Office Department and the result submitted to the commission in exhibits at subsequent hearings.

The commission says it is clear that the application of the method used in the original case to the space data obtained upon the New England lines indicates a deficit in income from mail operation; but that it is reasonable to expect that a considerable part of the complementary space operated by the carriers in connection with the mail service can be eliminated. It is of the opinion that the claims of the New England carriers for increased pay are too high and that a smaller percentage of increase will furnish fair and reasonable rates. The request for a finding as to the rates as of September 1, 1920, was denied on the ground that the commission has authority to establish rates only for the future and not for the past.

The rates established as fair and reasonable rates to be received on and after December 13, 1923, are as follows:

| For each mile of service— | Cents |
|--------------------------------------|-------|
| By a 60-foot r. p. o. car..... | 45.5 |
| By a 30-foot apartment car..... | 25.5 |
| By a 15-foot apartment car..... | 17 |
| By a 70-foot storage car..... | 55 |
| By a 60-foot storage car..... | 47 |
| By a 30-foot storage space..... | 25.5 |
| By a 15-foot storage space..... | 13.5 |
| By a 7-foot storage space..... | 7.5 |
| By a 3-foot storage space..... | 4 |
| By a 15-foot closed-pouch space..... | 17 |
| By a 7-foot closed-pouch space..... | 8.5 |
| By a 3-foot closed-pouch space..... | 5 |

The minimum payment on any mail route upon said lines, over any part of which mail is transported not less than six days a week, is to be \$84 per mile per annum.

Personnel of Commissions

The Senate on January 15 confirmed the appointments of Frank McManamy and Mark W. Potter to the Interstate Commerce Commission, and of Edwin P. Morrow, Horace Baker and E. F. Grable as members of the Railroad Labor Board.

State Commissions

The Public Service Commission of Pennsylvania has before it an application from the Philadelphia Local Express Company for a certificate of convenience and necessity for the operation of auto trucks for the transportation of freight. The Pennsylvania Railroad and the American Railway Express Company have filed with the Commission protests against the granting of the desired certificate; the local company is believed to be preparing to compete with the older established carriers in four counties.

The Supreme Court of Missouri has ruled (December 31), that the State Public Service Commission of that state has no power to order the refunding of overcharges on freight within the state. The decision was handed down in a case brought by the Missouri Pacific and the Missouri Southern against the Public Service Commission, opposing an order of the commission instructing the roads to refund approximately \$300 for an alleged overcharge on a shipment of rails made by the Mid-Continent Equipment & Machinery Company.

The South Carolina Supreme Court, after rehearing, has reversed a decision handed down a few months ago in which it held that the State Railroad Commission since the passage of the federal Transportation Act has no power to order the Southern Railway to put up a station shed at Blackville, S. C. The decision was so sweeping that it attracted a good deal of attention at the time, but on motion of attorneys for the state commission, the court granted a rehearing with circuit judges sitting en banc; and a new decision has been issued in which the power of the state commission to make the order is sustained.

Annual Report of New York Commission

The New York State Public Service Commission presented its annual report to the legislature at Albany on January 14. The principal subjects dealt with in the report are the necessity of eliminating grade crossings and the affairs of the telephone companies. The New York Telephone Company has informed the commission that under the present toll rates authorized by the state, the company is not earning a reasonable interest on its capital, and it is intimated that authority will be asked for making increases.

On the subject of crossings, the commission discusses the whole problem exhaustively; and the governor of the state has addressed a special message to the legislature concerning the problem.

ALBANY, Jan. 14.—Steps to eliminate grade crossings will be taken next week after Gov. Smith's message on the subject is read to the legislature. There are many details to be worked out, such as the division of cost of the work and the means for the payment of the proportion assigned to the localities affected.

In a report to the legislature tonight, the commission recommended a survey of all the crossings in the state. There are 8,025 on the steam railways. The cost of a survey could be kept down to \$500,000 if existing engineering and inspection forces of the various interested state departments are employed. The average cost of eliminating a crossing is estimated at \$100,000 and the commission presents estimates based on eliminating nearly half of the whole number, or 4,000 crossings, including those in many large cities. Estimating the total at 400 millions the state's share under existing laws would be \$100,000,000. The state's share would probably exceed this amount, as many of the crossings are under the jurisdiction of the State Bureau of Highways, in which case the state pays one-half of the cost, instead of one-fourth as at other crossings.

The report refers to the suggestion in the last annual report, that the solution of the problem may lie in the state assuming the initial financial responsibility by supplying the capital to perform the work. It is stated that for the year ending June 30, 1923, there were 719 grade crossing accidents in the state, resulting in the death of 91 persons and injury of 474, the largest number on record. * * * "It should be noted that it is not the so-called blind crossings at which accidents most frequently occur. It has been chiefly at the open crossing in the open country where the traveler on the highway has disregarded a safe speed in approaching the crossings." * * *

The Rapid Transit Commission (dealing only with New York City) also discusses the grade crossing problem in its annual report, 21 crossings on the Atlantic Division of the Long Island Railroad having been the subject of an urgent request by this commission last year for a special appropriation of the amount required from the state treasury for the elimination of these crossings. This request is repeated in the present report, and it is stated that the problem is steadily growing worse, because of increasing traffic.

The transit commission also discusses the pending plans for the improvement of the New York Central freight line on the west side of Manhattan, New York City. The laws relating to this problem need to be clarified or supplemented by further legislative action.

Labor News

The telegraphers on the Chicago, Milwaukee & St. Paul began taking a strike vote on January 14, according to press reports. It is said that the cause of this action was failure to agree on the application of decision No. 2005 of the Railroad Labor Board, which granted increases of two cents an hour.

Trainmen Ask Wage Conference with Western Roads

The Brotherhood of Railroad Trainmen and the Order of Railway Conductors have asked that conferences be held at Chicago with representatives of the western railways to take action upon the request by the brotherhoods for wage increases of approximately 12½ per cent. Press reports state that, in an interview, L. E. Sheppard, president of the Order of Railway Conductors, stated that he believed that such a conference would be held but that he did not know when it would take place. Mr. Sheppard is also said to have denied a report that, in reply to the request for a conference, he had received from the roads a demand for assurance that if this meeting was arranged but yielded no agreement, the brotherhoods would submit the disputes to the Railroad Labor Board. The opinion is general that the labor organizations will be strongly disinclined to appeal their demands to the board.

Labor Board Decisions

Application of Overtime Rule

The Railroad Labor Board has established the following application of the overtime rule for maintenance of way employees in a dispute between the United Brotherhood of Maintenance of Way Employees and Railway Shop Laborers and the Chicago & North Western over a claim for punitive rates of pay for the tenth hour when men were required to work the meal period: "Time and one-half time starts at the expiration of the tenth continuous hour on duty, computed from the employees' regular starting time; where this continuous service includes meal period, no deduction shall be made therefor and the employee will, at the first opportunity, be allowed twenty minutes in which to eat."—Decision No. 2056.

Unauthorized Reduction in Wage Rates

The Railroad Labor Board has again taken the position that wage reductions may be made similar to those granted in decisions of the board by roads not parties to such decisions, in a dispute between the Brotherhood of Railway & Steamship Clerks and the Joplin Union Depot Company. While the board did not go on record as approving such practice, it recognized the fact that the Joplin Union Depot Company is owned by four of the railways named in the wage reduction decision No. 147 and that the wage increases specified in decision No. 2 had been applied, although the Joplin Company had not been a party to that decision. A dissenting opinion was filed by board member A. O. Wharton.—Decision No. 2076.

Compensation for Meal Period

In a dispute between the Railway Employees' Department of the American Federation of Labor and the Norfolk & Western over the question of the granting of pay for the meal period to employees on all shifts where three shifts are worked, the Labor Board ruled for the employees. "Where three shifts are employed, the spread of each shift shall consist of eight consecutive hours including an allowance of 20 minutes for lunch within the limit of the fifth hour. This decision is applicable only if the provisions of Rule 2, Addendum 6 to Decision No. 222 are considered in full force and effect on this road and where a different application of this rule has not been agreed to between the road and the employees."—Decision No. 2059.

Foreign Railway News

British to Rebuild Russian Railway Stations

Vickers, Ltd., the well-known British engineering firm is said in press dispatches from London to have been awarded an extensive contract for the reconstruction of railway stations in Soviet Russia.

American Interests May Build Railways in Persia

Negotiations are said to be under way between American firms and the Persian government looking to the development by the former of an extensive railway and highway system in that country. American firms whose names are connected with this report are the Ulen Contracting Corporation and the American International Corporation.

Bandits in North Manchuria

TOKYO

The South Manchurian Railway, which has been repeatedly troubled by mounted bandits, has organized a special train police force, which is commissioned to protect trains against these bandits. The first public manoeuvres were conducted recently. The primary object of these manoeuvres was to show the force of the police to the natives in North Manchuria, the nest of bandits.

Japanese Railways Seeking Funds

to Keep Up Construction Work

TOKYO

The Japanese Department of Railways is doing its best to secure enough funds for the upkeep of construction work in the financial year 1924-25. The State Railways' revenue for the financial year 1923-24 can be used in financing construction work for 1924-25 but these revenues are fast falling off as the effect of the earthquake. The Department of Railways has been requested to refrain from raising any capital for construction purposes in the investment market.

France Refuses to Co-operate with Britain in

Establishing Through Service in Germany

The French government has refused to ratify an agreement entered into by the Franco-Belgian Régie, which operates the railways in the Ruhr, and British, who are occupying the area around Cologne, providing for a restoration of through railway service between the two districts. The reason for the French refusal is said to be that they want the British to turn over the railways in the Cologne area to them. The railways in the Cologne area continue to be operated by Germans.

Electrification Postponed in Japan

TOKYO

The Government Railways of Japan have been compelled by the earthquake of September to postpone the electrification of the Tokyo-Kobe trunk line and are storing away 30 electric locomotives from the United States and Europe which they have recently assembled at their shops at Oi and Omiya. Officers in the Electricity Bureau of the Department of Railways say that the electrification of the trunk line has been postponed but that it does not mean indefinite suspension. Work will be started next year, the date of completion only having been deferred one year.

Railway Construction in the Belgian Congo

Good progress is being made on the Bas Congo-Katanga Railway, according to the Times (London) Trade Supplement. This line will extend from the upper reaches of the Kasai river, a tributary of the Congo, at a place called Ilebo, to Bakuma, in the Katanga mineral belt. Bakuma is connected by rail with the railways of Rhodesia and these have direct

connections with the South African Railways. The route of the new line from Bakuma northwestward to Ilebo is 550 miles long. It is expected to complete 200 miles of this by the end of the current year and to finish the whole line by 1928. By using the Congo and Kasai rivers the new railway will give a rail-water outlet to the sea entirely in Belgian territory for the minerals of the Katanga district.

Strike of Enginemen Threatened in Britain as Labor Party Comes to Power

The National Wages Board, the highest authority on railway wages and working conditions in Great Britain, several weeks ago handed down a wage decision which was accepted by the National Union of Railwaymen, the "one big union" of British railway employees to which all classes of employees belong. There are, however, two craft unions, that of the clerks and that of the enginemen and firemen, which represent considerable numbers of employees in these grades and of these two, the enginemen's union has voted not to accept the award, but to strike. At about the time of our going to press, the Labor party is scheduled to succeed in having passed by the House of Commons a vote of lack of confidence in the present Conservative cabinet, the sequel to which would be the summoning of the leader of the Labor party by the King to form a new government. Obviously the threat of the enginemen to strike and thus tie up the railways is embarrassing to the leaders of the Labor party and every effort is being made to settle the difficulties by arbitration. The award against which the enginemen threaten to strike is summarized by Modern Transport (London) as follows:

"Sunday Duty.—The present practice to be maintained. The companies had asked that the double time rates paid to trackmen and certain other men should be reduced to time and a half. The claim that turns of duty begun on Sunday but continuing after midnight should be paid at the Sunday rate only up to midnight, and thereafter at the week-day rate, is upheld. According to present practice such turns are paid throughout at the Sunday rate. The minimum payment for Sunday duty is varied in a manner which accords in the main with the companies' claims.

"Night Duty.—The Board regards the present position as a compromise which should be maintained as far as the 'conciliation grades' are concerned. The arrangement respecting the clerical staffs is to be the subject of negotiations.

"Classification of Enginemen.—The present system of mileage is to be retained, but the basis is to be 150 miles a day, instead of 120, and excess mileage is to be paid for on the basis of 15 miles an hour. A variation is made in the scale of pay of switch enginemen and hostlers, but no man who at present is paid at a higher rate than the revised scale is to be reduced. Other enginemen, firemen, motormen and assistant motormen will remain on the present scales.

"War Bonus.—The Board decides that the time is not ripe to interfere with the operation of the sliding scale of wages (which vary with the cost of living) but does not wish the conclusion to be regarded as discouraging the parties from examining and revising the present position if they so desire."

The Associated Society of Locomotive Engineers and Firemen had claimed an increase of pay for Sunday duty; extension of the time to be paid for as night duty; an increase of wages for enginemen, motormen, firemen, assistant motormen and cleaners; a revision of the mileage allowance in slow passenger and freight service twelve days' holiday with pay; and the restoration of the eight-hour day in place of the nine-hour day which was recently agreed to in certain circumstances.

The railway companies had asked for a revision in Sunday pay; the cancellation of the special payments for night duty; the cancellation of the service scales of pay and basis of mileage payments for enginemen and firemen, and the adoption of a classification scheme; and the revision of certain time allowances made to enginemen and firemen for disposal of engines at the conclusion of a trip. They also claimed that the remaining war bonus should be entirely withdrawn when the "cost of living" index figure should reach 70 points above pre-war level, and that thereafter the arrangements in regard to the sliding scale governing wages should be cancelled.

Equipment and Supplies

Locomotives

THE NEW YORK, NEW HAVEN & HARTFORD is inquiring for two locomotive tenders.

THE PENNSYLVANIA has authorized the construction of 50 locomotives in its shops at Altoona, Pa.

THE MCCLLOUD RIVER has ordered 2 Prairie type locomotives from the Baldwin Locomotive Works.

THE DETROIT TERMINAL has ordered two 0-6-0 switching type locomotives from the American Locomotive Company.

THE PAULISTA RAILWAY OF BRAZIL has ordered 2 Mountain type locomotives from the Baldwin Locomotive Works.

THE ATCHISON, TOPEKA & SANTA FE has ordered 15 Santa Fe type locomotives, 26 Mikado type, 10 Pacific type and 6 Mountain type from the Baldwin Locomotive Works.

THE WESTERN PACIFIC, reported in the *Railway Age* of December 8 as inquiring for 5 Mallet type and 5 Mikado type locomotives, has ordered this equipment from the American Locomotive Company.

Freight Cars

THE UNION PACIFIC is inquiring for from 250 to 500 tank cars.

THE CANADIAN PACIFIC is building 150 flat cars in its Angus shops.

THE UNITED FRUIT COMPANY is inquiring for 30 narrow gage flat cars of 10 tons' capacity.

THE AMERICAN TAR PRODUCTS COMPANY is inquiring for 50 tank cars of 10,000 gal. capacity.

THE DAVIS EQUIPMENT COMPANY, New York, is inquiring for 12 flat cars of 50 tons' capacity.

THE NEW YORK, CHICAGO & ST. LOUIS is inquiring for 100 Rodger ballast cars of 50 tons' capacity.

THE WESTERN PACIFIC, reported in the *Railway Age* of January 5 as inquiring for 775 refrigerator cars, has ordered this equipment from the American Car & Foundry Co.

THE ILLINOIS TRACTION, INC., reported in the *Railway Age* of November 17 as inquiring for 100 box cars of 40 tons' capacity, has ordered this equipment from the American Car & Foundry Co.

THE PENNSYLVANIA SALT MANUFACTURING COMPANY, Philadelphia, Pa., has ordered from the General American Tank Car Corporation two cars of 40 tons' capacity for carrying muriatic acid.

THE SOUTH AUSTRALIAN RAILWAYS, reported in the *Railway Age* of October 6 as inquiring for 600 freight cars, 500 steel box cars and 100 steel covered cars, has ordered this equipment from the American Car & Foundry Co.

THE SEABOARD AIR LINE, reported in the *Railway Age* of December 22 as inquiring for 932 flat car bodies, has divided the order equally for this equipment between the Richmond Car Works and the Virginia Bridge & Iron Co.

THE BANGOR & ARCOSTOOK, reported in the *Railway Age* of December 22 as inquiring for 75 steel underframes and superstructures for box cars, has ordered this equipment from the Pressed Steel Car Company. The cars are to be built in the railroad company's shops.

Passenger Cars

THE GULF, TEXAS & WESTERN has ordered a Brill "Model 55" gasoline car from the J. G. Brill Company.

THE POND FORK & BALD KNOB has ordered a Brill "Model 30" gasoline car from the J. G. Brill Company.

THE CANADIAN NATIONAL has ordered 7 baggage cars and 4 combination baggage and smoking cars from the National Steel Car Corporation.

THE INTERNATIONAL-GREAT NORTHERN has ordered three "Model 55" gasoline passenger cars and one "Model 55" gasoline combination baggage and mail car, from the J. G. Brill Company.

THE SOUTHERN PACIFIC contemplates coming in the market soon for 25 passenger cars in addition to its inquiry for 50 passenger cars, reported in the *Railway Age* of January 5.

THE NEW YORK CENTRAL will receive bids until 12 o'clock noon, February 6, for new passenger car equipment required by the following companies: The New York Central, the Michigan Central, the Cleveland, Cincinnati, Chicago & St. Louis and the Pittsburgh & Lake Erie.

THE CANADIAN PACIFIC has ordered through the International Equipment Company, Ltd., Montreal, Que., representative of the Railway Storage Battery Car Company, New York, one 55-ft. steel combination passenger, smoking and baggage car to be equipped with Edison batteries, General Electric motor and control and Westinghouse air brakes.

Iron and Steel

THE WESTERN OF ALABAMA, see Atlanta & West Point.

THE CHICAGO UNION STATION COMPANY is inquiring for 5,000 tons of structural steel for train sheds.

THE ATLANTA & WEST POINT has ordered 2,000 tons of rail and the Western of Alabama 1,500 tons of rail, from the Tennessee Coal, Iron & Railroad Co.

THE GREAT NORTHERN has ordered 150 tons of structural steel consisting of three through plate girder spans and one deck plate girder span from the American Bridge Company.

Machinery and Tools

THE MISSOURI PACIFIC has ordered four 25-ton locomotive cranes from the Industrial Works.

Miscellaneous

THE LONG ISLAND will receive bids until 12 o'clock noon, January 22, for fuel oil of a density from 14 deg. to 16 deg. Beaumé, to be delivered in barges holding 100,000 gal., at Long Island City, from time to time during the period from February 1, 1924, to January 31, 1925; estimated quantity 300,000 gal. a month.

WALKER D. HINES, general counsel of the Great Northern Railway, speaking before the New York State Bankers' Association recently favored the government's activities looking to general railway consolidation, emphasizing the fact that the underlying purpose is to prevent the necessity of government ownership. "Besides the economies accomplished by standardization of materials, concentration of purchases and the like, which consolidation would make possible, the formation of a few large systems would enable the railroads to adopt a uniform policy toward the public and railway employees. The values of the properties to be consolidated should be determined by their earning power rather than cost of reproduction as such a policy would not discourage the stronger roads from absorbing the weaker ones. The reproduction cost could be considered afterward for rate making purposes and thus further encourage the sound systems to absorb the less profitable ones."

Supply Trade News

The Inland Steel Company has purchased the Milwaukee Rolling Mill Company, Milwaukee, Wis.

Earl E. Bates has been appointed assistant sales manager of A. M. Castle & Co., Chicago. Mr. Bates has been associated for a long time with the steel industry.

The Schwyer Electric & Manufacturing Company, Easton, Pa., proprietor of the Schwyer induction automatic train control, has brought suit in the Federal Court at New York City against the Regan Safety Devices Company alleging infringement of patents.

R. E. Ludwick, formerly sales manager for the Cleveland Crane & Engineering Company, Wickliffe, Ohio, has joined the sales staff of Whiting Corporation, Harvey, Ill. Mr. Ludwick will make his headquarters at the Chicago sales office, 945 Monadnock block, Chicago, Ill.

Horace W. White, Jr., who entered the service of the T. H. Symington Company in February, 1916, has been appointed manager southern sales, with headquarters at Baltimore, Md.,

to fill the position formerly held by T. C. de Rosset, deceased. Mr. White will continue to report to R. H. Gwaltney, vice-president in charge of eastern sales at New York. Horace W. White was born in Baltimore on May 7, 1888, and graduated from Franklin High School, Reisterstown, Md. He entered the employ of the Keystone Coal & Coke Company in 1904, and was later employed by the Mercantile Trust & Deposit Company, Baltimore. In February, 1916, he entered the employ of the T. H.



H. W. White, Jr.

Symington Company at Rochester, N. Y., and was granted leave of absence during the World War. He first served in the artillery and was transferred to the air service in which he attained the rank of captain in command of the 182nd Aero Squad, where he saw service in France.

Joseph Teipel, assistant general manager, W. F. Exner, secretary, and F. G. Langbein, purchasing agent of the Mancha Storage Battery Locomotive Company, have resigned to organize the St. Louis Steel Casting Company, St. Louis, Mo., for the manufacture of steel castings. Officers of the new company are: Joseph Teipel, president; Walter F. Heinicke, vice-president; W. F. Exner, secretary, and F. G. Langbein, treasurer.

C. H. Davies for many years in the service of S. F. Bowser & Co., Inc., Fort Wayne, Ind., as manager of its factory division in Chicago, has assumed charge of the factory sales promotion division of the entire Bowser organization, with headquarters in Fort Wayne. Mr. Davies relieves L. E. Porter, assistant general manager, of this branch of the promotion service and now works in collaboration with T. D. Kingsley, general sales manager of the company.

Frank F. Kister, secretary and treasurer of the Q and C Company, New York, who has been connected with the company since 1895, was elected president on January 15, succeeding Charles F. Quincy, who has been elected chairman. Marinus Iseldyke, Jr., was elected secretary and assistant

treasurer; **Ralph R. Martin** was elected auditor; **Chester A. Gaskill** was elected assistant secretary and cashier and **E. Ray Packer** was elected mechanical and consulting engineer. The following district sales managers were appointed: **Edgar M. Smith**, Baltimore; **Richard J. McComb**, Chicago; **James L. Terry**, St. Louis, and **Lester T. Burwell**, New York.

Robert D. Sinclair, executive vice-president of **Mudge & Company**, Chicago, has been elected president to succeed **Burton Mudge**, who has been elected chairman of the board of **Mudge & Company** in addition to his duties as executive vice-president of the **Bradford Corporation**. **Albert C. Force**, treasurer and assistant general manager in charge of production and stores with headquarters at Chicago, has been promoted to vice-president and treasurer in charge of the manufacturing, purchasing and treasury departments. **John G. Abplanalp**, production engineer, has been promoted to secretary to succeed **Arthur L. Pearson**, who has been elected assistant vice-president of the **Bradford Corporation**. Mr. Sinclair was born on April 12, 1878, at Chicago and entered railway service with the **Chicago & Eastern Illinois** in 1892. In 1893 he entered the operating department of the **Columbian Intramural Railway** at the **Chicago World's Fair**. At the close of the ex-

neering course at **Johns Hopkins University**, which he completed in 1895. He was first associated with the **Sprague Electric Company** where he assisted in the earliest work on the **Sprague multiple unit control** and the later installation of this system on the **South Side Elevated Railroad**, the **Brooklyn Rapid Transit** and the **Boston Elevated Railroad**. Later Mr. McIver was connected with the **Chicago & Milwaukee Electric Railway** as master mechanic. From this position he transferred to that of superintendent of equipment of the **New York City Railways**—the consolidated surface lines of **New York City**. Mr. McIver joined the **Westinghouse** forces in December, 1909. The electrification of the **New York terminal** was then under way and he supervised the execution of **Westinghouse** contracts for this work. While making his headquarters in **New York** he supervised **Westinghouse** activities on the **Long Island Railroad** and the rapid transit and surface railroads in **New York City** as well. Upon the undertaking of the contract for equipment of the **Norfolk & Western** electrification, he was appointed resident engineer in charge for the **Westinghouse Company** and on the completion of this work he was appointed to a similar position on the **Chicago, Milwaukee & St. Paul** electrification, where he had charge of development by the **Westinghouse Company**. Mr.



A. C. Force



R. D. Sinclair



J. G. Abplanalp

position he entered the service of the **Union National Bank** of **Chicago** where he remained until its consolidation with the **First National Bank** in 1900. He held several positions with the latter institution until September 1, 1910, when he became secretary and treasurer of **Mudge & Company**. On January 12, 1912, he was elected second vice-president and later was made first vice-president which position he held until November 1, 1916. On the latter date he was elected executive vice-president which position he has held until his recent promotion. Mr. Force was born on September 19, 1886, at **Chicago** and previous to his connection with **Mudge & Company** was auditor of a local concern operating a chain of stores in **Chicago**. He became associated with **Mudge & Company** in January, 1918, as assistant treasurer, and on March 15, 1918, was promoted to treasurer and was placed in charge of all purchases. On January 1, 1923, he was appointed assistant general manager in charge of production and stores in addition to his duties as treasurer, which position he has held until his recent promotion. Mr. Abplanalp was born on April 1, 1891, at **LaCrosse, Wis.**, and in 1910 entered the employ of the **Stayright Engine Company** as a storekeeper and cost accountant with headquarters at **LaCrosse**. He held this position until 1916, when he entered the **United States Army** to serve on the **Mexican border** and later served as an officer in the infantry during the **World War**. He left military service in 1919 and entered the employ of **Mudge & Company** on January 5, 1920, as cost accountant. In 1921 he was appointed production engineer, which position he has held until his recent promotion.

Alexander McIver has been appointed supervisor of heavy traction development of the **Westinghouse Electric & Manufacturing Company**. Mr. McIver is a graduate of the **University of North Carolina** and he also took the electrical engi-

McIver will make his headquarters at the **East Pittsburgh, Pa.**, works of the **Westinghouse Company**.

Locomotive Deliveries in December

The **Department of Commerce** has prepared the following table, based on reports received from locomotive builders, showing shipments of locomotives in December, 1923, as compared with the same month in 1922, and also the year's totals similarly compared:

| | De- cember, 1923 | No- vember, 1923 | De- cember, 1922 | Year's total Jan- uary to December | |
|------------------------------------|------------------------|------------------------|------------------------|---------------------------------------|-------|
| | | | | 1923 | 1922 |
| Shipments— | | | | | |
| Domestic | 305 | 270 | 194 | 2,985 | 1,056 |
| Foreign | 24 | 29 | 16 | 204 | 218 |
| Total | 329 | 299 | 210 | 3,189 | 1,274 |
| Unfilled orders (end of month)— | | | | | |
| Domestic | 365 | 656 | 1,490 | ... | ... |
| Foreign | 22 | 35 | 94 | ... | ... |
| Total | 387 | 691 | 1,582 | ... | ... |

Obituary

W. M. Rogovine for the past thirteen years in the **New York** sales department of the **American Steel Foundries**, **Chicago**, died on January 11 at his home in **New York City**.

Arthur Melville White, for many years superintendent of the **American Locomotive Company** at **Schenectady, N. Y.**, who had also served at **Manchester, N. H.**, and at the **Cooke Works**, **Paterson, N. J.**, died on January 13 at **Manchester**. Mr. White was born in 1846 at **Ghent, Ohio**.

Railway Construction

BALTIMORE & OHIO.—This company has awarded a contract to the Fort Pitt Bridge Works, of Pittsburgh, Pa., covering the fabrication and erection of the steel superstructure for a bridge crossing the Little Kanawha river at Parkersburg, W. Va. About 2,000 tons of steelwork is involved. The new bridge, which is to be erected under traffic, will include a 300-ft. truss span, three 80-ft. girder spans and 1,031 ft. of steel viaduct. The structure is scheduled for completion in the early fall.

CENTRAL OF GEORGIA.—This company will construct a concrete and steel car shop, 200 ft. by 200 ft., at Savannah, Ga., at a cost of approximately \$350,000, to replace a building recently destroyed by fire. Bids will be called for in the near future.

COLORADO, COLUMBUS & MEXICAN.—This company, which was recently denied by the Interstate Commerce Commission authority to build an extensive system of railroads in the southwest, has applied to the commission for a certificate authorizing the construction of a line from Gallup to Farmington, N. Mex., 129 miles.

ERIE.—This company plans the construction of locomotive and car shops and a power house at Hammond, Ind., to cost approximately \$500,000. A coal hopper with mechanical loading equipment will also be built.

HOUSTON & TEXAS CENTRAL.—This company plans the construction of an extension to the baggage room in the station at Austin, Texas, at a cost of approximately \$25,000.

ILLINOIS CENTRAL.—This company has completed arrangements for the construction of a frame passenger station at Carrollton avenue and Edinburgh street, New Orleans, La., to cost approximately \$20,000.

KANSAS, OKLAHOMA & GULF.—This company plans the construction of a freight station at Henryetta, Okla.

LOUISVILLE & NASHVILLE.—This company plans the construction of a freight station at New Orleans, La.

NORFOLK & WESTERN.—This company has awarded a contract to the Roberts & Schaefer Company, Chicago, for the construction of a 2,000-ton, reinforced concrete, 6-track, automatic coaling and sanding station, with duplicate elevating equipment, at Prichard, W. Va., to cost \$151,000.

NORTHERN PACIFIC.—This company has prepared plans for the construction of repair shops and a power house at Brainerd, Minn., estimated to cost approximately \$600,000, including equipment. This work is part of the general improvement program reported in the *Railway Age* of December 29.

PUEBLO CONSERVANCY DISTRICT.—This company closed bids on January 15 for the relocation of 35 miles of railroad track at Pueblo, Colo., the construction of a re-located river channel and a barrier dam 6 miles west of Pueblo. The flood control work at Pueblo is being carried on through the Dayton Morgan Engineering Company, Dayton, Ohio. Details of the construction included in the project were given in the *Railway Age* of November 10, 1923.

SOUTHERN.—This company plans the construction of a one-story addition to its locomotive and car repair shop, 100 ft. by 130 ft., at Ferguson, Ky.

SOUTHERN PACIFIC.—This company will construct a storehouse at El Paso, Texas, to cost approximately \$40,000.

SOUTHERN PACIFIC.—This company has awarded a contract to the Utah Construction Company, San Francisco, Cal., for grading the new line from Avalon, Ariz., to Yuma, at a cost of \$660,000, as reported in the *Railway Age*, of September 18.

THE RAILWAY CLUB OF GREENVILLE (Pa.) will hold its next meeting on January 25. M. W. Eismann, traffic manager of the Manufacturers' Association of Erie, Pa., will speak on traffic and industrial subjects.

Railway Financial News

ARIZONA EASTERN.—Lease of Phoenix & Eastern Terminated.—The existing lease of the Phoenix & Eastern by the Arizona Eastern, authority for which was granted by the Arizona Corporation Commission on March 31, 1914, has been revoked by the commission and the lease canceled as of June 30, 1923. The commission granted the railways until March 1, 1924, to make the order effective. The commission found that the continuance of the lease between the Arizona Eastern and the Phoenix & Eastern would not be compatible with the public welfare in that it tended to continue inadequate transportation service in the territory between Phoenix, Ariz., and Mesa, and that it also operated as an obstruction to the construction of a new line through that territory. The control of both the Phoenix & Eastern and the Arizona Eastern is held by the Southern Pacific through ownership of majority stock. The motion to terminate the lease between the two companies was made by the Tucson, Phoenix & Tidewater, a potential competitor in the territory affected.

BLYTHERVILLE, BURDETTE & MISSISSIPPI RIVER.—Authorized to Abandon Line.—This company has been authorized by the Interstate Commerce Commission to abandon its line from Burdette, Ark., to a point near West Blytheville, Ark., 7 miles.

BUFFALO CREEK.—Authorized to Draw Down Bonds.—The Interstate Commerce Commission has authorized this company to procure the authentication and delivery of \$1,000,000 of first refunding mortgage 5 per cent bonds, to be held until the further order of the commission.

CANADIAN NATIONAL RAILWAYS.—Loan Planned.—A new \$50,000,000 loan is to be negotiated shortly by the Dominion Government. It will be used for purposes of refunding and capital expenditure, and is authorized by a vote of the last session of Parliament. This will make the third bond issue for the Canadian National Railways since the present government came into power. In March, 1922, a loan of \$11,000,000 was made in New York for the purpose of retiring certain obligations. On August 1, 1923, a loan of \$22,500,000 at 5 per cent was made in Canada for the purchase of equipment.

CHICAGO & WESTERN INDIANA.—Asks Authority to Issue Bonds.—This company has applied to the Interstate Commerce Commission for authority to issue \$251,000 of 4 per cent consolidated mortgage bonds during 1924, for the purpose of retiring general mortgage bonds.

CHICAGO, MILWAUKEE & ST. PAUL.—Bonds Sold.—Kuhn, Loeb & Co. and the National City Company have sold at 96¼ and interest, to yield over 6½ per cent, \$14,000,000 10-year, 6 per cent first mortgage bonds, security gold loan of 1924, due on January 1, 1934.

CHICAGO, PEORIA & ST. LOUIS.—Sale.—The sale of this road has been postponed to February 15.

CHICAGO UNION STATION COMPANY.—Bonds Sold.—Kuhn, Loeb & Co., Lee, Higginson & Co., the National City Company, First National Bank of New York and the Illinois Merchants Trust Company of Chicago have placed privately at 97¾ and interest, \$7,000,000 first mortgage 5 per cent bonds, series B, due July 1, 1963. The issue was sold subject to the approval of the Interstate Commerce Commission.

COLUMBUS & GREENVILLE.—Authorized to Issue Stock.—The Interstate Commerce Commission has authorized an issue of \$100,000 of capital stock to be issued to trustees in return for cash and services contributed.

DETROIT, TOLEDO & IRONTON.—Asks Authority to Issue Bonds.—This company has applied to the Interstate Commerce Commission for authority to issue \$240,000 of first mortgage 50-year, 5 per cent gold bonds, due March 1, 1964, to reimburse the treasury for expenditures. The bonds are to be sold to members of the Ford family.

LEHIGH VALLEY HARBOR TERMINAL.—Asks Authority to Issue Bonds.—This company has applied to the Interstate Commerce Commission for authority to issue \$10,000,000 of first mortgage bonds to be guaranteed by the Lehigh Valley Railroad Company and to be used to reimburse the latter for advances.

LOUISVILLE, HENDERSON & ST. LOUIS.—Dividend.—A dividend of 4 per cent on the preferred stock has been declared, payable February 15 to holders of record February 1. This road is controlled by the Louisville & Nashville.

MINNEAPOLIS & ST. LOUIS.—Expenditures Opposed.—The proposal of W. H. Bremner, receiver, to spend \$692,000 for certain improvements in 1924 was opposed by creditors before Judge W. F. Booth in the Federal District Court at Minneapolis. The Great Northern Railway, with a preferred claim of \$61,000, and the Guaranty Trust Company objected. The court took the matter under advisement.

NEW ORLEANS, TEXAS & MEXICO.—Asks Authority to Acquire Control.—This company has applied to the Interstate Commerce Commission for authority to acquire control by the purchase of the stock of the Houston & Brazos Valley, a road of 24 miles.

NORTHERN CENTRAL.—Stockholders' Meeting.—At the annual stockholders' meeting to be held at Baltimore, Md., February 28 the questions of an increase of the capital stock and of an increase in the indebtedness of the company will be considered. The purpose of the proposed authorization for increase in Northern Central stock or indebtedness is to reimburse the Pennsylvania Railroad for improvements and additions since the lease of the Northern Central in 1910. The amount of such proposed increase in the funded debt or capital stock has not yet been decided, but will be presented at the annual meeting.

OAHU RAILWAY & LAND CO.—Authority to Issue Stock Dividend Denied.—The Interstate Commerce Commission has denied this company's application for authority to issue \$2,500,000 of its capital stock as a stock dividend.

OCILLA SOUTHERN.—Sale Confirmed.—Confirmation of the sale of this road to the Chatham Bank and Trust Company of Savannah, for the bondholders, for the sum of \$200,000, has been ordered by Judge Eve in the Tift Superior Court of Georgia. The sale was made on the first day of January. The order confirming the sale directs that the road cease operations February 1, 1924.

PENNSYLVANIA.—Lease.—See West Jersey & Seashore.

PHOENIX & EASTERN.—Lease of Line Terminated.—See Arizona Eastern.

PITTSBURG, SHAWMUT & NORTHERN.—New Receiver.—John D. Dickson has been appointed receiver to succeed Henry S. Hastings, deceased.

READING COMPANY.—Bond Exchange.—Agnew T. Dice, president of the Reading Company, and William J. Richards, president of the Philadelphia & Reading Coal & Iron Company, have issued a joint letter to the holders of Reading general mortgage bonds offering to exchange new bonds as provided in the segregation plan. There are about 15,000 holders of the general mortgage bonds.

Holders of the old bonds are to receive two-thirds of their principal amount in bonds of the new Reading Company, and the remaining one-third in bonds of the Philadelphia & Reading Coal & Iron Company. The exchange was made necessary by the decree of the United States District Court dividing the railroad and the coal property.

Exchanges before February 1 at the office of J. P. Morgan & Co. in New York, or Drexel & Co. in Philadelphia, will be made without the payment of adjustment interest. After that date the interest charge for the adjustment will be at the rate of 2-3 of one per cent per annum on the principal amount of the general mortgage bonds. The offer for exchange will remain open until April 10. The announcement said, in part:

As further directed by said final decree, Reading Company and The Philadelphia & Reading Coal & Iron Company now offer to the holders of general mortgage bonds the right to surrender their general mortgage bonds and receive in exchange:

Six hundred and sixty-six dollars, two-third principal amount of general and refunding mortgage 4½ per cent gold bonds, series A, (or scrip certificates as hereinafter provided) of Reading Company issued under the mortgage and deed of trust dated January 2, 1924, made by the Reading Company to Central Union Trust Company of New York, trustee, and \$333 1-3 principal amount of refunding mortgage 5 per cent sinking fund gold bonds (or

scrip certificates as hereinafter provided) of The Philadelphia & Reading Coal & Iron Company issued under the mortgage and deed of trust dated January 2, 1924, made by The Philadelphia & Reading Coal & Iron Company to Central Union Trust Company of New York, trustee for each \$1,000 principal amount of general mortgage bonds so surrendered, upon the terms and conditions hereinafter set forth.

Two-thirds in principal amount of the general mortgage bonds surrendered for exchange will be stamped to show that they are solely obligations of Reading Company and pledged under the mortgage securing the new general and refunding bonds of Reading Company. One-third in principal amount of said general mortgage bonds will be stamped to show that they are solely obligations of The Philadelphia & Reading Coal & Iron Company and pledged under the mortgage securing the new refunding bonds of The Philadelphia & Reading Coal & Iron Company.

The new bonds of each company will be delivered to the largest multiple of \$100 contained in the principal amount of bonds of that company to which the holder is entitled as aforesaid, and scrip certificates will be delivered for the balance. Such scrip certificates of each company will be secured by the new mortgage of that company, will be exchangeable for new coupon bonds of that company when presented in amounts aggregating \$100, and will bear interest at the rate borne by the new bonds of that company.

General mortgage bonds, in coupon form, presented for exchange must bear all unmatured coupons. Interest on the new bonds will be payable January 1, and July 1. Interest on the scrip certificates will be payable only upon surrender thereof, for exchange for bonds as aforesaid. The new bonds and scrip certificates of each company will bear interest from January 1, or July 1 next preceding the date of exchange.

SEABOARD AIR LINE.—Asks Authority to Draw Down Bonds.—This company has applied to the Interstate Commerce Commission for authority to nominally issue \$4,750,000 of 4 per cent refunding mortgage gold bonds to be set aside in the treasury for the purpose of reimbursing it for expenditures.

WEST JERSEY & SEASHORE.—Lease to P. R.R.—The directors, at their meeting on January 11, adopted the report of its special committee, which, in substance, recommended that consideration of a lease to the Pennsylvania Railroad be deferred until the operating and fiscal results for the year 1923 are available in full detail, and until it is possible to get a clearer outlook on the business conditions and costs of the future. The necessities of the West Jersey for additional expenditures to improve its railroad, equipment, property and facilities must also be given careful consideration.

Treasury Payments to Railroads

Since last announcement, dated December 1, 1923, payments under Sections 204, 209, 210 and 212 of the Transportation Act, 1920, as amended, have been made by the Treasury as follows:

Section 204:

| | |
|-------------------------------------|------------|
| Brownstone & Middletown | \$296.88 |
| Coudersport & Port Allegany | 5,796.05 |
| Illinois Southern, Receiver | 199,626.62 |
| Kansas, Oklahoma & Gulf | 106,363.47 |
| Montour Railroad | 125,224.08 |
| Morenci Southern | 7,127.02 |
| Tionesta Valley | 1,474.88 |
| Woodworth & Louisiana Central | 10,140.51 |

Section 209:

| | |
|---|------------|
| Alabama Central | 933.48 |
| Alabama & Vicksburg | 187,744.92 |
| Arkansas Central | 33,378.31 |
| Cumberland & Pennsylvania | 80,066.28 |
| Elberton & Eastern | 5,856.29 |
| Kentwood & Eastern | 12,932.18 |
| Leavenworth & Topeka | 6,363.85 |
| Manistique & Lake Superior | 3,686.60 |
| Minnesota Northwestern Electric Railway | 3,383.00 |
| Monongahela Railway | 432,819.43 |
| Pittsburgh, Chartiers & Youghiogheny | 140,705.12 |
| Rome & Northern | 2,270.61 |
| Seaboard Air Line | 650,188.43 |
| St. Joseph & Grand Island | 121,867.32 |
| Washington & Lincoln | 9,175.61 |

Section 210:

| | |
|-------------------|------|
| Section 212 | 0.00 |
|-------------------|------|

Section 212:

| | |
|-------------|----------------|
| Total | \$2,147,420.94 |
|-------------|----------------|

Dividends Declared

Louisville, Henderson & St. Louis.—Preferred, 4 per cent, payable February 15 to holders of record February 1.
Virginia Railway.—Preferred, 3 per cent, semi-annually, payable February 1 to holders of record January 21.

Trend of Railway Stock and Bond Prices

| | Jan. 15 | Last Week | Last Year |
|---|---------|-----------|-----------|
| Average price of 20 representative railway stocks | 61.36 | 61.51 | 64.12 |
| Average price of 20 representative railway bonds | 83.90 | 82.90 | 84.61 |

Railway Officers

Executive

C. E. Hildum, controller of the Lehigh Valley with headquarters at New York, has been elected also a vice-president of the company.

H. B. Jennings has been elected president and general manager of the Virginia & Carolina Southern to succeed **A. W. McLean**, resigned, effective January 7. **J. Q. Beckwith** has been elected vice-president and assistant general manager. The headquarters of the company are located at Lumberton, N. C. The traffic, operating and accounting departments are under the supervision of the vice-president.

Financial, Legal and Accounting

A. P. Stewart has been appointed assistant general attorney of the St. Louis-San Francisco, with headquarters at St. Louis, Mo.

George Holmes, general attorney of the Central of New Jersey, with headquarters at New York, has been appointed general counsel, effective January 1, succeeding **Robert W. de Forest**, resigned. **Charles E. Miller**, assistant general counsel with the same headquarters, has been promoted to general attorney.

C. W. Peterson, auditor of disbursements of the Gulf, Mobile & Northern with headquarters at Mobile, Ala., has been promoted to assistant controller. **F. N. Johnson** has been appointed auditor of disbursements, succeeding Mr. Peterson. **J. S. Gibson**, auditor of receipts, has been appointed auditor of capital expenditures. **E. A. Reynolds** has been appointed auditor of receipts and **D. A. Stewart** has been appointed freight claim agent.

G. E. Bramon, whose appointment as general auditor of the Wabash, with headquarters at St. Louis, Mo., was reported in the *Railway Age* of January 12, was born on August 9, 1875, at Ogden, Iowa. He entered railway service in December, 1902, in the auditor's office of the Chicago, Burlington & Quincy at Omaha, Neb., and subsequently held various positions in that office. In December, 1909, he was appointed chief clerk and he held this position until August, 1910, when he was promoted to chief clerk to the auditor of expenditures at Chicago. Mr. Bramon was promoted to auditor of expenditures of the lines west of the Missouri river in August, 1907, his headquarters being at Omaha. In March, 1913, he was appointed assistant auditor of expenditures, with headquarters at Chicago, and in October, 1913, he was appointed assistant auditor of freight accounts, with the same headquarters. Mr. Bramon was promoted to auditor of freight accounts in September, 1918, and in September, 1921, he was promoted to auditor of expenditures. He held this position until his recent appointment as general auditor of the Wabash, a newly created position.



G. E. Bramon

Operating

The headquarters of **P. G. Walton**, general superintendent of the Southern district of the Seaboard Air Line, has been transferred from Savannah, Ga., to Jacksonville, Fla.

G. H. McMullin, superintendent of the Southern division of the Northwestern Pacific, with headquarters at Sausalito, Cal., has been transferred to the Northern division, with headquarters at Eureka, Cal., succeeding **W. J. Hunter**, who has retired. **M. L. Gillogly**, industrial assistant to the president and general manager, with headquarters at San Francisco, has been promoted to superintendent of the Southern division, succeeding Mr. McMullin. **T. F. Allen**, supervisor of transportation, with headquarters at San Francisco, has been promoted to assistant superintendent of the Southern division.

J. H. Fraser, whose promotion to general manager of the St. Louis-San Francisco, was reported in the *Railway Age* of December 29, was born at Shelbyville, Ind., and entered



J. H. Fraser

railway service as a messenger boy in the office of the train dispatcher of the Louisville & Nashville at Birmingham, Ala. He was subsequently promoted to telegraph operator, yard clerk and station agent, leaving the latter position when he was appointed agent for the Indianapolis, Decatur & Western, now a part of the Cincinnati, Indianapolis & Western, at Indianapolis, Ind. Two years later he entered the service of the Toledo, St. Louis & Kansas City, now a part of the Nickel Plate, as baggageman. He was later promoted to chief clerk to the superintendent and the train dispatcher, a year later being appointed passenger conductor. After three years in train service, Mr. Fraser was reappointed train dispatcher and he subsequently served in this capacity on the Illinois Central, the Wisconsin Central, the St. Louis Southwestern, the Missouri Pacific, the Atchison, Topeka & Santa Fe and the Union Pacific. He was then appointed yardmaster on the Detroit, Toledo & Ironton, being successively promoted to general yardmaster, trainmaster, assistant superintendent and superintendent. When the Detroit, Toledo & Ironton and the Ann Arbor Railroad & Steamship Company were consolidated, he was appointed general superintendent, with headquarters at Toledo, Ohio. In 1911 Mr. Fraser was appointed superintendent of transportation of the Maine Central, returning a short time thereafter to the Detroit, Toledo & Ironton as general manager. He was appointed general manager of the Gulf, Florida & Alabama in 1917, and he held this position until October, 1920, when he was appointed vice-president and general manager of the Wichita Falls, Ranger & Fort Worth. Mr. Fraser was appointed executive general agent of the St. Louis-San Francisco, with headquarters at Kansas City, Mo., in December, 1921, and in October, 1922, he was promoted to assistant general manager, with headquarters at Springfield, Mo. He continued in this position until his recent promotion to general manager.

M. J. Flanigan, superintendent of the Hastings & Dakota division of the Chicago, Milwaukee & St. Paul, with headquarters at Montevideo, Minn., has been transferred to the Iowa division, with headquarters at Marion, Iowa, succeeding **C. H. Marshall**, whose death on January 6 was reported in the *Railway Age* of January 12. **E. W. Lollis**, superintendent of the Illinois division, with headquarters at Savanna, Ill., has been transferred to the Hastings & Dakota division, succeeding Mr. Flanigan. **O. M. Stevens**, special assistant to the vice-president in charge of operation, with headquarters at Chicago, has been promoted to superintendent of the Illinois division, succeeding Mr. Lollis.

The operation of the Zanesville division of the Pennsylvania as a separate operating unit was discontinued on January 16 and it was consolidated with the Cincinnati division. Similarly,

the South Bend division has been divided between the Logansport division and the Indianapolis division; the Grand Rapids division has been divided between the Mackinaw and Richmond divisions and the Mackinaw division was renamed the Grand Rapids division; the Marietta division has been divided between the Cleveland & Pittsburgh and Eastern divisions (Central Region). Co-incident with these changes the following official changes have been made in the operating department: **W. C. Downing**, general superintendent of the Indiana grand division, with headquarters at Indianapolis, has been appointed general superintendent of the enlarged Indiana division, with the same headquarters; the position of general superintendent of the Central Ohio grand division having been abolished, **R. K. Rochester**, who held that position, has been appointed to a similar position on the Northern grand division with headquarters at Buffalo, N. Y.; **H. H. Garrigues**, general superintendent of the Illinois grand division, that position having been abolished, has been appointed superintendent of the Cleveland & Pittsburgh division. **P. L. Grove**, general superintendent of the Michigan division, that position having been abolished, has been appointed superintendent and general agent of the enlarged Grand Rapids division. **W. L. Ekin**, general superintendent of the Northern division (Central Region), has been appointed superintendent of the Philadelphia division with headquarters at Harrisburg, Pa.; **Guy Scott**, superintendent of the Cleveland & Pittsburgh division, has been appointed superintendent of the Akron division; **O. C. Schaad**, superintendent of the Akron division, has been appointed superintendent of the Wheeling division. **T. A. Roberts**, general agent and superintendent of the Toledo division, has been appointed general agent at Detroit, Mich.; **D. Y. Geddes**, superintendent of the Philadelphia division, has been appointed superintendent of the Toledo division. **R. D. McKeon**, superintendent of the Indianapolis division, has been transferred in a similar capacity to the Elmira division; **Porter Allen**, superintendent of the South Bend division, has been appointed superintendent of the Norfolk division.

Traffic

H. L. Piggott, division passenger agent of the Wabash, with headquarters at Fort Wayne, Ind., has been promoted to district passenger agent, with headquarters at Los Angeles, Cal., a newly established agency.

W. J. Cummings, district freight and passenger agent of the Northwestern Pacific, with headquarters at Eureka, Cal., has been promoted to assistant general freight and passenger agent, with the same headquarters, a newly created position.

Fred Hance has been appointed assistant manager of mail traffic of the Pennsylvania with headquarters at Philadelphia, effective February 1. Mr. Hance is now superintendent of the second division of the United States Railway Mail Service.

L. B. Boyd has been appointed superintendent of land and colonization of the Canadian National, with headquarters at St. Paul, Minn., a newly created position. The land and colonization office at Chicago has been abolished and its jurisdiction transferred to the office at St. Paul.

L. M. Whitehead, assistant general baggage, mail and express agent of the Chicago, Burlington & Quincy, with headquarters at Omaha, Nebr., has been promoted to general baggage, mail and express agent, with headquarters at Chicago, succeeding **L. H. Stebbins**, who has retired.

E. B. Hoffer, traveling freight agent for the Chicago, Indianapolis & Louisville, with headquarters at Cincinnati, Ohio, has been promoted to general agent, with the same headquarters, succeeding **S. L. Wehrung**, promoted. **S. F. Evans** has been appointed Pacific Coast agent, with headquarters at Seattle, Wash., a newly established agency. **C. R. Carter**, freight traffic agent, with headquarters at Bedford, Ind., has been promoted to division freight agent, with the same headquarters, a newly created position.

W. J. Manley has been appointed general traffic manager of the Pittsburgh & West Virginia and the West Side Belt, effective on January 2. Mr. Manley has served as general traffic agent of those lines since last October. For three

years prior to last October Mr. Manley served as traffic manager of the Logan Coal Operators' Association of West Virginia. Mr. Manley takes to his new position 20 years of practical railroad experience which covers all phases of railroading in the transportation as well as traffic fields. His first experience was on the Great Northern and later he operated a railroad in Peru for a considerable period. For three years Mr. Manley was associated with the Commission on Car Service of the Railroads' War Board and the Car Service Section of the Railroad Administration at Washington, D. C.

L. Richardson, district freight and passenger agent of the Southern Pacific, with headquarters at Oakland, Cal., has been promoted to assistant general



L. Richardson

passenger agent of the Southern Pacific, with headquarters at Oakland, Cal., has been promoted to assistant general passenger agent, with headquarters at San Francisco, Cal., succeeding **F. C. Lathrop**, promoted. Mr. Richardson was born on August 17, 1863, at Princeton, Cal. He entered railway service in 1878 as a messenger boy on the Southern Pacific and in 1882 was promoted to telegraph operator and ticket clerk. He was promoted to agent at Summit, Cal., in 1885, and after two transfers, was promoted to telegraph operator in the office of the superintendent at Sacramento in 1888. In 1891, Mr. Richardson was appointed agent at Carpinteria, Cal., and two years later was transferred to Santa Barbara. He was promoted to commercial agent at Santa Barbara in 1905, and held this position until 1911, when he was promoted to district freight and passenger agent, with headquarters at Oakland, Cal. Mr. Richardson held this position until his recent promotion to assistant general passenger agent, with headquarters at San Francisco.

Mechanical

R. S. Goodrich has been appointed train and station inspector of the Atchison, Topeka & Santa Fe, Coast lines, with headquarters at Los Angeles, Cal.

The headquarters of **J. J. Hanlin**, superintendent motive power of the Southern district of the Seaboard Air Line, has been transferred from Savannah, Ga., to Jacksonville, Fla.

G. B. Pauley, general foreman on the Chicago, Burlington & Quincy with headquarters at Kansas City, Mo., has been promoted to acting assistant master mechanic of the Galesburg division, with headquarters at Galesburg, Ill., succeeding **D. Nott**, granted leave of absence on account of illness.

C. P. Taylor, whose appointment as electrical engineer of the Norfolk & Western with headquarters at Roanoke, Va., was announced in the *Railway Age* of December 22, page 1186, was born on October 12, 1886, at Ironton, Ohio, and completed an electrical course of the International Correspondence School, Scranton, Pa. He entered railway service on May 1, 1904, as an electrician with the Norfolk & Western at Roanoke, Va. In September, 1906, he was appointed electrical foreman at Portsmouth, Ohio, and on December 1, 1909, was transferred to Bluefield, W. Va. He was later transferred to Roanoke and Norfolk, Va., in the same capacity and in February, 1917, was promoted to assistant superintendent of terminals at Norfolk, Va., which position he was holding at the time of his promotion.

Engineering, Maintenance of Way, and Signaling

G. H. Hicks, valuation and property engineer of the Northwestern Pacific, has been promoted to chief engineer in charge of construction, maintenance and valuation, with headquarters at San Francisco, Cal.

Lee H. Landis, general manager of the Alaska Railroad, with headquarters at Anchorage, Alaska, has assumed the duties of acting chief engineer, succeeding **J. G. Gotwals**, who has been granted leave of absence.

E. R. Lewis, whose promotion to principal assistant engineer of the Michigan Central was reported in the *Railway Age* of January 12, was born on November 20, 1869, at Raritan, N. J. Mr. Lewis graduated from the University of Iowa in 1890. He entered railway service in 1885 as an axman and rodman on construction on the Missouri Pacific, subsequently serving as levelman and clerk in the timber department. In 1891 he was promoted to division engineer, leaving railroad service the following year when he was appointed reclamation engineer in Wyoming. He was appointed division engineer on improvement work on the U. S. government levees along the Mississippi river in 1896, leaving this position in 1897 when he was appointed locating engineer for the Cape Government railways in the Cape Colony, South Africa. In 1901 Mr. Lewis was appointed engineer in charge of construction of the White River Railroad at Batesville, Ark., and in 1902 he was appointed engineer in charge of location and construction of the Fort Smith & Western. He was re-appointed locating engineer for the Cape Government railways in 1903, being promoted to district engineer in charge of maintenance in 1904. Mr. Lewis was appointed assistant engineer of the Keweenaw Central now a part of the Copper Range, with headquarters at Hancock, Mich., in 1905, and in August, 1906, he was appointed division engineer on the Michigan Central, with headquarters at Bay City, Mich. In June, 1912, he was appointed assistant to the general manager of the Duluth, South Shore & Atlantic, and in July, 1918, was promoted to chief engineer. He was appointed editor of the *Maintenance of Way Cyclopedia* in March, 1919, and upon the completion of this work, he was appointed office engineer of the Michigan Central in March, 1921. Mr. Lewis continued in this position until his recent promotion to principal assistant engineer.



E. R. Lewis

Purchasing and Stores

CHANGES IN PURCHASES AND STORES

ORGANIZATION ON THE PENNSYLVANIA

A reorganization and consolidation of the purchasing department of the Pennsylvania is in process of being effected. The practice heretofore in effect of buying supplies for each of the four regions separately will be discontinued. In its place a plan will be adopted by which all materials and supplies will be classified into groups, or sections, with a designated officer of the purchasing department in charge of the buying of each group. The work of all groups will be carried on directly under the supervision of **Samuel Porcher**, general purchasing agent of the system, whose headquarters will continue to be in Philadelphia. Assistant purchasing agents will also be stationed at Pittsburgh, Chicago and St. Louis, reporting to the general purchasing agent. Their duties will be to co-operate with the vice-presidents and other authorities of the Central, Northwestern and Southwestern Regions, respectively. As the headquarters of the Eastern Region are in Philadelphia, it is not considered necessary to make a similar arrangement for the Eastern Region. Simultaneously with the changes in the purchasing department, a somewhat similar organization will be made of the stores department. **C. D. Young**, general supervisor of stores, will continue to

be the head of the department, with the new title of stores manager, and will have his offices in Philadelphia, as heretofore. Under his jurisdiction the handling of stores will be directed from Philadelphia and Altoona, Pa. At each of these points a General Storekeeper will be appointed, with the required assistants.

Special

A. I. Bouffleur, chief surgeon of the Chicago, Milwaukee & St. Paul, with headquarters at Seattle, Wash., has been appointed chief surgeon of the lines west of the Missouri river, with the same headquarters. **B. F. Lounsbury**, assistant chief surgeon, with headquarters at Chicago, has been promoted to chief surgeon of the lines east of the Missouri river, with the same headquarters.

Obituary

O. W. Ruggles, formerly general passenger agent of the Michigan Central, who retired from active service in 1910, died in Fair Oaks, Cal., on January 12. Mr. Ruggles was born in 1847 and entered railway service as a clerk in the passenger office of the St. Louis, Iron Mountain & Southern. He was successively promoted to conductor and to traveling agent and upon the consolidation of the Iron Mountain with the Missouri Pacific, he was appointed assistant general passenger agent. Mr. Ruggles was appointed general passenger and ticket agent of the Michigan Central in December, 1881, and he held this position until January, 1911, when he was retired from active service and was appointed passenger agent for the New York Central lines at Sacramento, Cal.

C. Edward Laas, formerly engineer maintenance of way of the Chicago, Milwaukee & St. Paul, who retired in 1910, died in Chicago on January 9. Mr. Laas was born on December 7, 1857, at Morrisville, N. Y., and entered railway service in 1881 as an assistant engineer on construction on the Chicago, Milwaukee & St. Paul. In 1890, he was promoted to roadmaster and in 1902, to superintendent of construction at Davenport, Iowa. He was promoted to superintendent of the Kansas City division in November, 1903, and he held this position until his promotion to engineer maintenance of way.

E. F. Vincent, whose death on December 30 was reported in the *Railway Age* of January 12, was born on July 11, 1863, at Maquoketa, Iowa. After graduating from the University of Iowa in 1884, he entered railway service in May, 1886, as a draftsman and field assistant in the engineering department of the Union Pacific. In September, 1887, he was appointed engineer on the construction of the state capitol building at Denver, Colo., returning to the Union Pacific in January, 1888, as field assistant and leveler. In July of that year Mr. Vincent was placed in charge of a party on survey of reservoir sites for the U. S. Geological Survey near Leadville, Colo. From December, 1889, to April, 1900, he served as principal assistant engineer of the Board of Public Works of Denver, returning to railway service in September, 1900, as resident engineer on the Fort Worth & Denver City. In February, 1904, Mr. Vincent was appointed assistant chief engineer of the Wyoming State Railway, now part of the Chicago & North Western. He was appointed assistant engineer on the Missouri Pacific in charge of surveys in Illinois in February, 1905, and in November of the following year, was appointed assistant chief engineer of the Colorado & Southern. Mr. Vincent held this position until July, 1915, when he was promoted to chief engineer and he continued in this capacity until February, 1919, when he retired from active service and became special consulting engineer.

IN THE MIDDLESEX COUNTY COURT at New Brunswick, N. J., on January 14, a fine of \$1,000 was imposed on the Pennsylvania Railroad, based on its conviction recently, in that court, on a charge of manslaughter, following the trial of a case involving the death of six persons by an explosion of powder in freight cars near Perth Amboy last September. It is said that the present fine applies only to one of five indictments. The railroad announced that an appeal would be taken to the Supreme Court.